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Government
Publications

ONTARIO LEGISLATIVE ASSEMBLY
Standing Committee on
REGULATIONS AND PRIVATE BILLS
D E B A T E S

33rd Parliament
1st Session

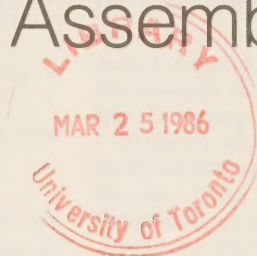
Jan. 1986 - Feb. 1986



Hansard

Official Report of Debates

Legislative Assembly of Ontario



Standing Committee on Regulations and Private Bills
Estimates, Ministry of Tourism and Recreation

First Session, 33rd Parliament
Thursday, January 23, 1986

Speaker: Honourable H. A. Edighoffer
Clerk of the House: R. G. Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON REGULATIONS AND PRIVATE BILLS

Thursday, January 23, 1986

The committee met at 10:08 a.m. in committee room 1.

ESTIMATES, MINISTRY OF TOURISM AND RECREATION

Mr. Chairman: Mr. Rowe and Mr. Hennessy have kindly indicated they will go third. Mr. Pouliot is going to Paris so he will go second, after the minister.

Mr. Hennessy: I am going with him. I want to speak.

Mr. Pouliot: You are exactly the kind of companion I have in mind.

Mr. Chairman: You can put him in your suitcase.

Mr. Hennessy: Why not?

Hon. Mr. Eakins: I am pleased to have the opportunity to present the 1985-86 estimates for the Ministry of Tourism and Recreation.

At this time, I want to recognize and welcome my critics, from the Progressive Conservative party, Earl Rowe on Tourism and Mickey Hennessy on Recreation, and from the New Democratic Party, Gilles Pouliot.

I also want to recognize members of my senior staff, most of whom are here this morning and who will be available at various times to answer any questions in regard to the various aspects of the ministry as those questions come up. I urge the critics and members of the committee to make full use of any opportunity to ask questions of the ministry staff in order to become fully informed and aware of many programs and expenditures.

I want to welcome the Deputy Minister of Tourism and Recreation, Jim Keenan. Jim has been with the ministry since mid-September 1985. He has had considerable experience in government in various ministries. I am delighted to have him assist me as deputy minister.

I also want to welcome Sally Young who is at the table this morning. Sally is the executive co-ordinator of the planning and administration division. Also from the minister's office, I want to recognize Sandie Giles who looks after grants for members of the Legislature. I know members call from time to time with inquiries regarding various programs and grants, so Sandie is familiar to most of you. She is available to assist all members of the Legislature in that regard.

Also in attendance are Ruth Cornish, director of strategic policy; Dennis Carter, executive assistant of tourism and recreation field services; Cam McDonald, executive co-ordinator of corporate advertising and special projects; Louise Wickson, director of communications;

Peter Sharpe, executive co-ordinator of operations—Peter is also acting deputy minister of tourism and doing an excellent job for us in that capacity; Ann McCall, director of marketing; Bob Brock, director of tourism division; Bob Secord, assistant deputy minister of recreation; Joe Halstead, director of sports and fitness; and Ray Wittenberg, director of recreation.

Residents of, and visitors to, Ontario have benefited from many programs of the ministry in the past. Today it will be seen that as a new government we are continuing those endeavours which have worked well, while undertaking as our major assignment the adaptation of those programs to reflect new trends in our society.

As the government of Ontario, it is our responsibility to take into account major changes taking place today: the population is ageing, and there is a boom in fitness and personal growth activities and a rapidly growing interest in travel, recreation and sports as the amount of leisure time increases. As a result, the tourism and recreation industries are changing. They are growing and becoming more vibrant, dynamic and important to the economic wellbeing of this province.

In economic terms, tourism alone generates more than \$900 million per year in provincial taxes, plus at least 380,000 person-years of employment, directly and indirectly, including employees working in all types of businesses, for example, transportation, restaurants, and amusement and recreation operations. Recent studies commissioned by the ministry indicate that sports and recreation also contribute substantially to the economy of our province. They have developed into a \$7.3 billion industry in Ontario.

Tourism and recreation are equally important in terms of social value. With our ageing population and changing patterns of employment, Ontarians are looking increasingly to services provided by the ministry: information on travel opportunities and on the benefits of recreation, as well as improved accessibility to

recreational facilities and programs that meet their needs.

The tourism division has a very broad client base which includes tourism and attraction operators, hotel, motel and restaurant owners, trade associations, the federal government, municipalities, chambers of commerce, and convention planners and convention centres.

However diverse these groups may appear to be, we have worked well together in the past and will continue to do so in the future. This government is committed to developing broader and stronger links with these clients so we can achieve our mutual goal, attracting more visitors to Ontario. Attracting more visitors is a big job with big challenges. Preliminary data indicate the 1985 travel deficit will be well over \$800 million. This represents a reduction from previous years but is not nearly as low as we would like it to be.

We are aware that the deficit is due, in large measure, to Canadians travelling to the United States, and that Canadians are travelling in increasing numbers to Europe and other continents in search of exotic vacations. We must reduce this deficit and we hope to eliminate it altogether. There are two ways in which to do this: encouraging Canadians to vacation in this province and attracting foreign visitors, in particular travellers from the US.

It is apparent from a recent tracking study done by my ministry that many Americans are not aware that \$3.5 US buy a \$5 meal in Canada. It is apparent that, in the past, nothing has been done to get that message across. In the light of the favourable rate of exchange for them, Americans are going to be getting an even better bargain when they vacation in this province. We intend to make sure they know this.

My ministry's tourism marketing branch promotes Ontario's facilities and attractions here and around the world through a combination of advertising campaigns, trade promotions, publications and customer sales and service. Knowing who our customers are, what their needs are and who our competitors are are key to the success of all these programs. We find out by monitoring hotel and motel occupancy rates and by conducting studies and surveys.

This past fall, for instance, the impact of the "Ontario—yours to discover!" campaign was evaluated through focus groups both in Ontario and the US. This study showed that more product-specific advertising is needed. This will be addressed by Vickers and Benson, the ministry's new advertising agency, and will

result in new initiatives being proposed for 1986-87.

They will be reflected in our television commercials, newspaper inserts describing Ontario's summer and winter attractions, and publications. We will also encourage the use of co-operative tourism advertising, one of the best and most productive forms of marketing, and one the previous government did not push to full advantage.

When government, industry associations, and sometimes the private sector, combine resources to promote Ontario tourist attractions, there is an increased effort from everyone and more impact per dollar is achieved. Co-operative tourism advertising benefits all contributors while bolstering the overall industry.

My ministry is currently involved in this kind of co-operative campaign. Due to the efforts of the northern travel associations, the Northern Ontario Tourist Outfitters Association and the private sector, a recent four-page colour supplement on fishing holidays is being featured in three major outdoor magazines: Outdoor Life, Field and Stream and The In-Fisherman. The combined circulation of these three magazines is extensive, about 1.8 million.

This example of co-operative advertising is but one that demonstrates this government's belief that we are not in the business of doing it all, but that we can be an effective catalyst in achieving industry goals. Because of this, we are also proposing to negotiate a marketing sub-agreement with the federal government.

On an international level, co-operative efforts are also important as we organize travel trade missions which include, among others, private sector resort operators and tour wholesalers. I accompanied one such mission to Japan in September. Those taking part were representatives from 31 Ontario companies interested in starting or expanding their travel businesses in this lucrative market. My ministry will also explore ways to attract more visitors from this potential market.

Not only do we make representations abroad, we invite journalists from around the world to Ontario to write feature stories on our tourist attractions for publications in their home countries. In 1985, this Visit Ontario program drew some 350 journalists from Europe, Japan, the United States and Canada.

10:20 a.m.

Providing information and consultation to travellers is at the heart of my ministry's service.

The marketing branch is responsible for overall customer sales and service.

During the 1985 calendar year the travel counsellors at 40 travel information centres around Ontario assisted more than one million travellers. Counsellors answering the toll-free lines at head office dealt with about 300,000 calls. These counsellors provided information on everything from golf courses to ski conditions.

The efforts in the tourism marketing branch are supported and complemented by the tourism development branch, which helps tourism operators and developers access financial assistance through a number of programs that encourage private sector investment in the industry.

The tourism redevelopment incentive program, or TRIP, provides loan guarantees to a maximum of \$1 million for new projects and \$750,000 for first-time loans to existing operations. In the first nine months of this fiscal year, 51 TRIP loans levered an investment of \$43 million in projects that will help enhance Ontario's reputation as a holiday destination with first-class facilities.

The Ontario Development Corp., the Northern Ontario Development Corp. and the Eastern Ontario Development Corp. each provide term loans and assist my ministry by administering the tourism term loan program. In the first nine months of the 1985-86 fiscal year, there were 63 tourist term loans approved, for a total of about \$3.927 million. Total investment in the projects, including that of the private sector, was more than \$5.8 million.

In the same nine-month period tourist establishments received 23 loans through the grading assistance program to help them upgrade facilities to qualify for a higher Tourism Ontario rating. The ministry provided \$865,000 in loans which generated a total investment of about \$1.9 million.

Investment in tourism creates jobs, and there is no question that more investment in the tourism industry will mean more jobs. It is our job to make sure that the private sector continues to invest in the tourism industry.

The northern Ontario regional economic development program, administered by the Ministry of Northern Development and Mines, also provided grants for marketing assistance and feasibility studies. A total of 161 grants, worth about \$2.5 million, were part of an investment of about \$6.1 million in this same time period.

Another program which encourages private sector participation is the small business development corporation program, administered by

the Ministry of Revenue. This program encourages more private sector participation by providing investors with an equity investment vehicle. My government, in its recent budget, expanded the SBDC budget by \$5 million. As many of Ontario's tourism operators are small businesses, this fund is of great benefit to the tourism industry.

The ministry's ability to financially assist tourist operators and promote investment was also strengthened with the signing of the Canada-Ontario subsidiary agreement in November 1984. Under this five-year joint program, federal and provincial governments are each contributing \$22 million towards Ontario's tourism development. The focus is on major year-round resorts and attractions outside Toronto.

This agreement, aimed at stimulating private sector investment in major year-round tourism projects, will most assuredly help Ontario to become a more competitive year-round tourist destination.

I am sure you are all aware that the Deerhurst Inn of Muskoka received assistance under this program. Let me clarify why and how assistance to Deerhurst was modified by this government after it took office last June. As widely reported in the media, the original agreement with Deerhurst was not acceptable to this government. As a result, my ministry and the Ontario Development Corp. negotiated a revised agreement. Now the entire \$5-million Ontario contribution is a fully repayable loan; so is the \$5-million federal contribution.

This is one change we have brought about because this government believes that, in times of fiscal restraint, assistance should be made in the form of repayable loans, whenever possible, rather than grants.

Many of the programs I have just outlined have been in place for some time. I believe the time is appropriate for us to conduct a full review of these programs. I intend to discuss with representatives of the industry and other concerned ministries the possibility of establishing a task force that will review and evaluate these programs and recommend appropriate changes, deletions or additions so this government might more effectively serve the needs of the industry as they are today.

One of the most important functions of my ministry is the advocacy role it plays on behalf of the tourism industry. This advocacy role can make a critical difference to the growth of the industry in Ontario. As many of you here are

aware, we are working closely with our colleagues at Queen's Park as well as at the federal and municipal levels to further the interests of the industry.

This spirit of co-operation with all levels of government is essential. Tourism in various ways is often directly affected by programs and legislation introduced by other levels of government. If and when this happens, my ministry's staff work hard to ensure that the best interests of the tourism industry are negotiated effectively.

For example, senior staff from my ministry met earlier this week with staff of the ministries of Natural Resources and Northern Development and Mines to address northern tourism issues. In these and other discussions my staff will represent the important northern tourist industry and make every effort to raise and defend their concerns. I am sure that two of my critics, being from the north, will agree with this direction.

It is only through greater communication and co-operation between the ministry and its client groups that this ministry can fulfil its advocacy role. To that end, as I announced this fall, we will be holding roundtable discussions on a regional basis with private industry, municipalities and community groups to hear the views of the ministry's clients and others on the priorities for tourism development and related recreational opportunities. The roundtable discussions will be an added forum for consultation, as we already offer a wide range of advisory and consulting services to tourism operators, investors, municipalities, managers of attractions and developers, to name only some of the clients.

Many of these consulting services are tied directly to one of this government's priorities: the need to train Ontarians in a variety of skills so they will be better equipped and better prepared for the pressures of the changing labour market in the years to come.

In this regard, the Ontario Hostelry Institute is an emerging resource and research centre for the industry. Its information centre provides up-to-date information about Canadian and foreign hospitality training methods and programs. In addition, the OHI develops programs, curricula and training aids for use by both educational institutions and employers.

In today's competitive market this province cannot afford to settle for anything less than providing excellent, personable service. If tourists are treated well, they will be far more likely to return to Ontario and to recommend our province to others as a delightful vacation spot. There is no better way to ensure that our tourists

get the best treatment than by training our young people in the industry to provide it. We will be encouraging the industry to become more involved in this program and in the institute.

So, Mr. Chairman, you see that the tourism division's programs are aimed at training industry members, developing excellent facilities, selling Ontario's attractions, conducting research and providing a reliable province-wide information service. Our efforts are strengthened by our co-operation with the private sector, with our colleagues at all levels of government and with our clients.

Co-operation, consultation, developing facilities, training and providing information are also central to my ministry's activities in the fields of recreation, sports and fitness.

The recreation branch has developed an effective partnership with municipal governments and private and volunteer organizations at the provincial, regional and local levels. This has enabled us to support the development of recreation programs that are relevant to the needs of individuals and specific communities and that respond to the needs of our changing society.

10:30 a.m.

In the light of the fact that leisure time is increasing and our population is ageing, there will be greater demand on tourism and recreation services. We are reviewing the recreational services and facilities we support to ensure that these changing needs are addressed.

For instance, there is a growing need for workshops to help older Ontarians plan their retirement. In addition, the ministry has received more requests for workshops on recreation for older adults. By the end of this fiscal year, 75 workshops will have been held in communities around the province. Local recreation directors and community leaders attend these to learn how to develop programs that meet the needs of older adults.

The government is also determined that disabled persons have equal access to recreational facilities and programs. This approach is part of the government's efforts to integrate disabled persons into the work place, the school and the community in general.

My ministry has identified the need to restore and amplify its recreation services for disabled persons. As part of my ministry's commitment to this, the consultant position for recreation for persons with a disability was reinstated this year. In the coming months my ministry will be stepping up its efforts to encourage clients to

modify their facilities so they are fully accessible to disabled individuals.

However, this is only one facet of our concern with the recreation facilities in the province. My ministry is cognizant of the need to maintain, preserve and improve our existing major recreation facilities. While we may plan new ones, it is only prudent to protect those we have.

The importance of the theme "Ageing Plant/Changing Communities" was identified early on by my ministry. By the end of this fiscal year my staff will have given a total of 12 workshops and seminars on the subject. The workshops, held around Ontario, outline how volunteers and the paid staff of municipalities, as well as elected representatives, can protect the public's investment in recreational facilities by engaging in capital conservation planning.

These workshops were complemented by 10 seminars dealing with maintenance management, which introduced to the participants systematic methods by which they could manage the maintenance of their facility.

However, we do not only offer advice. In keeping with the priority we attach to conservation, planning and good management, three lottery-funded programs had funding criteria to assist clients in capital conservation, facility management and community recreation planning.

The capital conservation program provided \$3.4 million for the express purpose of encouraging repairs and renovations to existing recreational facilities. Applications for this program were recently approved, and I expect recipients will be notified this week.

The facility management program pays up to 75 per cent of the costs of training the management and staff of arenas, pools, community centres and other facilities so they may develop more expertise. This is vital today when the combination of limited resources and the changing needs of users make the effective management of such facilities absolutely essential. The budget allocation for this program was \$1.4 million, and applications are still being received and assessed.

Additional help is provided to municipalities by the community recreation planning program, which shares up to half the cost of eligible planning studies run by professional consultants for municipalities. This program aims to increase the effectiveness of community-based recreation services in Ontario by helping communities respond better to local needs, use available resources more efficiently and provide services

for special groups. The original budget allocation for this program was \$2 million, and applications for it are also still being received and assessed.

The financial assistance offered through those major programs cannot be underestimated. Developing and maintaining excellent recreation facilities and assisting municipalities to provide effective, efficient service is the linchpin of the entire recreation industry, particularly in outlying areas of the province where facilities often are not as plentiful as in the urban areas.

One of the highlights of the year for the recreation division was the prize it won for the 13-minute film called "Recreation Is..." The film captured second prize at the annual awards of the United States National Recreation and Park Association in October. If members desire to see this film, it can be made available before the end of the estimates. Produced in co-operation with the Society of Directors of Municipal Recreation of Ontario, "Recreation Is..." promotes the benefits of recreation for the individual and the community.

Another highlight of this year, and one of which I am particularly proud, was the introduction of a program to recognize the major contribution made by recreation volunteers. Volunteers play a major role in the successful delivery of recreation and other services. Without them many programs could not be afforded. We believed it was high time to recognize and salute these hardworking individuals, and this is what Corps d'Elite Ontario will do.

Other aspects of recreation are assisted through the ministry's sports and fitness branch, which strives to give Ontario athletic excellence and a positive attitude towards general fitness. To this end, the branch supports 76 amateur sports associations, which in turn represent more than one million members. It organizes provincial and national competitions, directs athletic development and helps set coaching standards.

The branch also encourages fitness for all by supporting fitness agencies and employee fitness programs, and by promoting fitness on radio, television and also at Blue Jays games. My staff and I hope that Ontario athletes will be as successful at the 1988 Olympics in Calgary, Alberta, and in Seoul, Korea, as they were in 1984.

The Best Ever Ontario program is how we plan to do that. The \$4.4 million approved this fiscal year is being used to train our Olympic hopefuls and help the sports associations finance training camps, hire coaches, improve facilities and buy equipment. The first fruits of these efforts were

realized last year when Ontario won the Canada Summer Games for the third consecutive time. I am confident that many Ontario athletes who competed at Saint John, New Brunswick, will be wearing Canadian uniforms in Seoul. The Best Ever program is also helping to train Ontario men and women who will compete at the 1987 Canada Winter Games on Cape Breton Island.

Plans are under way for two major amateur sports events: the 1986 Ontario Summer Games in Peterborough and the 1987 Ontario Winter Games. A total of \$300,000 from the Best Ever Ontario budget has been allocated to help support these games. Beyond promoting athletic excellence, the games bring economic benefits to the host community. Past experience indicates that Peterborough will increase its revenue by some \$2.5 million.

Last year the sports and fitness branch gave financial support to the Ontario Games for the Physically Disabled in Windsor and the Canadian Games in Sault Ste. Marie. This year \$95,000 of the Best Ever Ontario budget has been set aside to support disabled athlete competitions, training and improvement of facilities.

We will also be helping senior citizens to plan the first ever Ontario Seniors Games, to be held this summer in Kitchener. This will complement programs we have designed in the belief that sports are lifelong activities. Indeed, this is where the concept "Sports for Life" originated.

Another event that fostered this principle was the privately operated World Masters Games. Last summer Metropolitan Toronto was host to the first World Masters Games. This event attracted some 8,000 mature participants from over 60 countries who competed in 22 different sports. The ministry was fully supportive of the intent of this event, and initially contributed more than \$200,000 to assist in the operation of the games and ancillary events.

10:40 a.m.

It is worth noting that, from the beginning, the organizers stated the event was to be a no-frills operation with no government involvement beyond initial seed funds. Yet as the games neared their conclusion, it was found that there had been a serious underestimation of costs and overestimation of revenue by the organizers.

To ensure that the games were completed to the satisfaction of the participants, the provincial and federal governments each contributed an additional \$150,000. Soon it was determined that even this amount would not be sufficient to cover the deficit, and the World Masters Sports Foundation was placed in receivership. At

present the receiver-manager of the affairs of the foundation is determining the total assets that might be available for distribution to the creditors.

To achieve elite levels in any activity, we have to invest in the base. Funds from Best Ever Ontario are also being used to increase the community's involvement and participation in sports and fitness. Dozens of grass-roots projects have been approved. For example, our Skiing Is Believing program gives first-timers a chance to try skiing at less than half the usual price they would pay for ski rental, instruction and lift tickets.

As well, as part of the national coaching certification program, the branch organizes theory courses for prospective coaches in more than 250 Ontario communities. By the end of this fiscal year 6,800 coaches will have taken 340 theory courses at three levels.

The ministry also trains fitness instructors for people involved in less competitive physical activities. The value of qualified fitness instructors cannot be overstressed, especially since fitness centres in Ontario continue to grow in number. By the end of this fiscal year consultants in the Fitness Ontario leadership program will have held 50 basic and 40 specialty courses for these individuals. Under this program the branch also assists community and company fitness ventures by assessing needs, designing programs and training their instructors.

The benefits of participation in sports and fitness are well documented, and a new series of six television and 15 radio public service announcements have been produced this year to tell Ontarians in an upbeat way about those benefits. Market testing indicates that the PSAs are being well received by Ontario media. This is particularly important to us. Since we do not pay for the air time, we rely on Ontario television and radio stations to run the announcements.

There are countless benefits to engaging in sports and fitness. However, increased activity on hockey rinks, in gyms, on playing fields or even at home have caused concerns about sports-related injuries. Research on the subject is being done by the Sports and Medicine Advisory Board. This is a subject of particular concern to me. Within the next year the ministry will work with committee members to help raise the public's awareness of the need to reduce sports injuries.

The programs I have been discussing have much in common and are aimed at assisting a wide client group. The accessibility of these

programs is the key to their success, and this is provided by the Tourism and Recreation operations division. Approximately 75 consultants in Tourism and Recreation are at the forefront of our delivery network in 23 field offices around the province.

This year tourism co-ordinators and consultants have continued to conduct sessions with individual tourist operators to help them promote their attractions and plan for the future development of their facilities. They have also continued to assist with feasibility studies and marketing strategies and to help process requests for financial assistance.

In the first seven months of fiscal 1985-86, tourism field staff provided management consulting services at almost 1,600 sessions. In addition, seminars entitled *Tourism: The Bottom Line* have been held to provide additional specialized training and information for owners and managers of tourism businesses. Topics such as current and future trends in marketing, staff training, financial management and facility development are covered to help clients improve profitability and identify tomorrow's needs today.

Not only do the ministry's tourism field consultants bring our programs to the tourism industry face to face, but they also report industry concerns to the ministry. Consultants reviewed the proposed regulations or legislation of other ministries on 37 occasions. Their recommendations are used to help form the basis of representations I make on behalf of the tourism industry to my colleagues.

While tourism co-ordinators and consultants work in partnership with the industry to promote its growth, recreation consultants are equally committed to the healthy development of the recreation industry.

Recreation consultants work with the paid and volunteer staff of municipalities and nonprofit recreation and sports organizations. This year, to date, they have held 172 workshops and seminars in communities around the province and trained 4,753 people. This is part of the ministry's drive to help raise the effectiveness of leadership in recreation, sports and fitness at the community level. These consultants also assess and process applications for lottery-funded grants, some of which I referred to earlier.

Proceeds from lotteries are also distributed by one of my ministry's agencies, the Trillium Foundation. Chartered in 1982 to distribute Ontario Lottery Corp. funds to Ontario social service agencies, it has pledged almost \$50

million in grants to these organizations since its inception.

The Trillium Foundation is only one of a number of crown agencies whose boards report to my ministry. I have spoken of lottery proceeds; let me turn to the agency through which these proceeds are generated.

Throughout Ontario, people now have enjoyed the low-cost entertainment of lotteries for 10 years. In that decade, through the Ontario Lottery Corp., lotteries have generated \$1.5 billion in profit for grants to everything from sports and cultural activities to charitable organizations and environmental and health research.

Since September 1985, this government has opened up the granting of ticket distributorships at the corporation. Distributorship vacancies now are advertised in the media when they become available. This, as well as the fact that the corporation's advertising accounts must be tendered in keeping with this government's new policy, reflects the present government's commitment to fairness, openness and accessibility for all Ontarians.

I now would like to report briefly on the other crown agencies that report to my ministry.

Huronian Historical Parks, which administers the restored Historic Naval and Military Establishments in Penetanguishene and Sainte-Marie among the Hurons near Midland, received the 1985 Boyd Robertson Award from the Huronian Tourist Association for its contribution to the industry in that region.

In this regard, an innovative venture with the private sector was the organization of a new scenic boat cruise service linking Sainte-Marie among the Hurons, the Martyrs' Shrine and the Wye Marsh Wildlife Centre with south Georgian Bay's 30,000 Islands. Both Sainte-Marie among the Hurons and the Historic Naval and Military Establishments enjoy the support of highly enthusiastic and much appreciated volunteer groups that contribute significantly to their success.

Volunteers work in a whole range of areas at Huronian Historical Parks: sailing HM Schooner Bee, providing educational programs on the sites, running special events, the retail sales and food services and doing historical research. The research group is a newly established one this year and, to date, has provided some 2,000 hours of invaluable work.

Attendance at Ontario Place was up last summer to about 2.5 million, an increase of about 20 per cent. Such new features as the Wilderness Adventure Ride, three new restau-

rants, Waterfall Showplace and the new Imax film, *The Dream is Alive*, helped contribute to its success.

In eastern Ontario, the St. Lawrence Parks Commission, which operates Old Fort Henry, Upper Canada Village, 15 provincial parks, a golf course, a marina and other facilities, has begun major grading work for the Queen's Bicentennial Gardens. The gardens, which will commemorate the Queen's 1984 visit, will be built over a four-year period. They will eventually include formal gardens with fountains and performing arts stages.

10:50 a.m.

At Upper Canada Village, also run by the commission, the south barn of the agricultural museum was remodelled to become a fully operational 19th century barn.

The Niagara Parks Commission, which maintains a 56-kilometre parkway, gardens, historic sites, golf courses and other attractions, marked its 100th birthday on March 30, 1985. A centennial film and a 432-page history book commemorated this historic event.

This year the Niagara Parks Commission also introduced its new people-mover system designed to help relieve seasonal traffic congestion in the falls area by transferring visitors from a parking area directly to the falls area.

During this fiscal year, the commission realized a profit of about \$4.5 million.

In southwestern Ontario, the St. Clair Parkway Commission is continuing to create a scenic drive and parks system along the St. Clair River between Sarnia and Chatham to provide recreation opportunities and promote tourism. A major highlight this year was the June opening of the Sarnia Bay Marina. The new marina should spur continued development of the Sarnia Bay area.

In Ottawa, the Congress Centre, open since November 1983, continues to see an increase in business. In the 1985 calendar year, occupancy rose to approximately 48 per cent, up from 40 per cent in 1984. The 1985 bookings contributed approximately \$14.5 million to the region. Bookings have been received to the year 2004.

At Thunder Bay Ski Jumps Ltd. I was one of 10,000 people, along with the member for Fort William (Mr. Hennessy), who recently watched athletes from 16 countries compete in World Cup ski-jumping. I appreciated the hospitality of my colleague from Thunder Bay and the hospitality of the wonderful people of his community during that event.

The Canada Cup Invitational Cross-Country race was also held there recently, the first international cross-country race run on a new 2.5-kilometre loop course. Spectators were able to view about 60 per cent of the race over this new course.

My ministry has strongly supported this facility, and for some three years my staff has worked diligently with the staff of the federal fitness and amateur sport branch to develop the facility in Thunder Bay as a world-class Nordic centre.

After the change in government in Ottawa, the new Minister of State for Fitness and Amateur Sport stated that his department was not prepared to finance any capital costs for sport facilities. Thus, the long-term development of the facility was temporarily halted. At the present time, we are continuing discussions with the the ministry for the improvement of the site and negotiating with the federal government the sharing of its operational costs, so that the skiing disciplines may benefit from this facility.

On January 7, 1985, the report by the standing committee on procedural affairs and agencies, boards and commissions was released. In it, three of my ministry's agencies were reviewed: Old Fort William, Minaki Lodge and Metro Toronto Convention Centre.

The committee is to be commended for its hard work and its recommendations are currently being assessed by my ministry. However, I would like to report on the progress these facilities have made to date.

At Old Fort William in Thunder Bay, construction of a new dock costing \$110,000 was completed, replacing an ageing temporary wood one. On April 22, 1985, the replica fur trade schooner *Perseverance* was launched after seven years of work.

This past year, Minaki Lodge had sales of \$3.8 million and an occupancy rate of 72.5 per cent. In its third season, employment reached 240 workers. As indicated in the report, Minaki will require some additional capital expenditures to maintain effective operations. While my colleagues and I remain critical of the size of the initial capital investment in Minaki, we nevertheless are committed to its effective operation and anticipate that next year it will come close to breaking even on an operating cost-revenue basis.

The Metro Toronto Convention Centre continues to lead this industry as the number one facility in Canada. After more than a year in operation, it has contributed approximately \$35

million to the Ontario economy. It has also created 200 direct full-time jobs and some 500 part-time jobs.

Finally, it seems appropriate to include in this overview certain internal initiatives we have undertaken this year.

This was a year that saw the development and implementation of a meaningful affirmative action program. A number of developmental assignments were created; training opportunities for women were identified and funded; and an affirmative action steering committee was established with representation for all program divisions as well as appropriate ministry agencies.

In French-language services, significant advances were made as well. We hired a French-language co-ordinator, produced for the first time a French edition of the annual report and also produced grants, brochures and applications in both languages. We now are conducting a complete survey of our current services offered in French in terms of publications, forms, bilingual staff and French-speaking clients. Once the results are known and studied, we will adopt a ministry-wide policy on the provision of French-language services for French-speaking Ontarians and French-speaking visitors to this province.

I plan to have much more to report on affirmative action and French-language services when I return to defend our 1986-87 estimates.

As I indicated earlier, the tourism and recreation industries face many new and exciting challenges and, by the same token, so does my ministry. I have identified ways in which my ministry is meeting these challenges as it assists and promotes the wellbeing and growth of the tourism and recreation industries.

I have also identified that this ministry is looking to do a better job, to develop new directions, and to do so in consultation with our clients. During the course of these estimates, I will welcome your suggestions and advice on how we can achieve our goals.

Mr. Chairman: I do not know how the minister did it, but he gave us an estimate of 42 minutes and it is just about right on the button.

Mr. Pouliot: At the beginning, and with all the sincerity at my command, I wish to point out initially the courtesy extended to me by the member for Fort William by virtue of timing, which is of the essence in dealing with the estimates. With some vision for the future, I imagine, he has arranged that the representative of the third party be given the opportunity to address the committee.

Having said that, I also welcome this opportunity. This is my first time, I am a novice and you will have to bear with me. I am also the critic for francophone services, which overall should offer more services than embryonic efforts and a nice speech. What does he say? No substance. We will have an opportunity later to touch on this tokenism.

I am also the critic for native affairs, which deals with many ministries. Consequently, I was pleased to see a departure from form where the minister in his wisdom has chosen not to be monopolistic and not to take all the time. Rather than a 93- or 95-page document, which would give us an assurance that the paper industry will do very well in northern Ontario, we have some 45 to 50 pages, and most do not fill the entire page. That leaves it open for a cynic, and I am not one, to suggest that the lower the budget from year to year the less time will be taken in leadoff.

I want to take this opportunity to welcome and congratulate the new deputy minister on his appointment. We have assurance that he will grow in the office and find the opportunities ahead of him challenging and rewarding. I am very pleased to see so many of the senior key staff. I hesitate to use the word "professional", because I know they mean what they say and I can attest to that at first hand, since the courtesy was extended to me to partake in a learning session.

11 a.m.

I think it was Joseph Pieper, the philosopher, in 1947 if my memory serves me correctly, who said that leisure was the basis of our culture. I do not mean it in a leisurely fashion, but we certainly welcome and appreciate the opportunity to have the staff answer some of the questions that will result from our leadoff.

I see no practical reason to present a summary statement of purpose and mandate because you know that better than anyone; it is your mandate. I regard your ministry highly; nevertheless, I want briefly to emphasize the importance of producing a quality product in both tourism and recreation.

As you well realize and have stated in your leadoff, it represents some \$9.3 billion and offers the opportunity for some 260,000 to 385,000 people to be gainfully employed on a permanent basis.

Suffice it to say it is Ontario's second largest industry, slightly ahead of our chemical production and somewhat behind the automotive sector, but with great potential to bridge the gap. Collectively and individually, you will perhaps

share the philosophy, style, method and approach that in economic contribution it is more than significant and perhaps has the potential to become Ontario's largest industry some day.

You have quoted in your 1985-86 briefing book of estimates, and I note with some regret, that your overall budget figures are down to \$109 million, significantly less than \$123 million the previous year and \$139 million the year before that.

It never ceases to amaze me how you people can juggle figures around to suit your purpose, resembling tales of Houdini, in which sometimes you see a project and it tends to disappear only to resurface under another heading.

You must feel pretty secure; you call it business as usual. At the same time, it does not give you the tools, the mechanism to continue to offer services people have begun to take for granted.

I realize that if you take \$15 or \$16 million away from world-class and much-needed convention centres, you arrive at a decrease in the overall proposed expenditure of some \$1 million or \$2 million, not taking into account inflation or allowing for imaginative and daring ventures—and you may have more latitude than any other ministry.

You have not done this. I realize you have a new tenure. I trust you mean what you say, but it is in a conservative form. It seems you wanted to assimilate, to digest matters. We sense no departure from the format of a nice speech, but what did it really say? When we look at the figures, when we search, it becomes quickly evident you do not have those tools.

In keeping with the form that the Treasurer (Mr. Nixon) produced half a budget for half a year, it is our collective hope that when the votes on recreation and culture are in hand—and they ought to be in the near future—you will exercise the clout your mandate deserves and go to the Treasurer and cabinet and ask for the money to provide the tools to do the job you wish to do.

When we turn to our sources for tourism, we note the Canadian dollar is currently taking a beating. It is not very good for consumers inside Canada, because more than one third of what we consume in goods and services is imported from the United States, but for tourism it offers a great opportunity.

Our American confrères—I apologize; English is a second language for me—have the opportunity more than ever before to take advantage of the economic data made possible by a devalued Canadian dollar. Yet when one travels around the

province, one has to be appalled and shocked at the service industry. Even with the significant difference in the exchange rate, a significant compensation and incentive, one finds it is impossible to buy a bottle of liquor from the Liquor Control Board of Ontario at parity, to buy a gallon of gas at parity or to find lodging or meals in any restaurant on a parity basis.

We seem to have a tendency—and we are not masochists; it is not our nature; we do not suffer very well—to attempt to lure people in, but there is no reciprocity in this affair. Let me clarify by saying that we are very, very good at asking American tourists to pay us the compliment of a visit. We tell them our banks will give them an appreciable rate of exchange. However, when it comes time to deliver the goods, we do it with a degree of reluctance.

I have heard terms such as “gouging.” I have heard of people taking advantage of our tourist sector. I need not remind you that we do not have the climate, the population base or the facilities to compete with our southern counterpart. Therefore, we should put best foot forward.

You made mention of a potential 6.5 million people in Quebec, a province I know well. The minister prides himself in saying that there will be a survey of the French-language services that are offered. You will also tell me the potential for additional ones. I want to wish the minister well, but I do not think time will be of the essence in conducting the survey. It will be a short exercise.

The reality is that we have failed miserably to attract our second-largest potential market, the sister province of Quebec. People travel extensively in Quebec, as they do in Ontario, and it is almost impossible to find a brochure advocating the virtue of this province, telling the people of Quebec what we have to offer. It is not impossible to find one if one wants to read it in English, but should you prefer to read it, or be more at ease reading it, in the other of our two official languages, it is almost impossible to do so.

I encourage the minister. I know him. I know the point is well taken and somewhat refreshing. He will mean what he says. It is an essential service. It need not be complicated to encourage our neighbours, a potential market second to none in Canada, to come and visit the great province of Ontario.

11:10 a.m.

The riding I have the opportunity of representing is 28 per cent of the land mass of Ontario. It covers fully 114,000 square miles. I know the minister is aware of this, because I read that when

he was in Thunder Bay, he gave greetings on behalf of the government. I was right beside there, but the mail system, being what it is, did not allow me to partake of the opportunity to visit the Great Thunder.

The land mass of the provinces of Nova Scotia, Prince Edward Island and New Brunswick, multiplied by two, is a few thousand square miles short of the riding of Lake Nipigon. Northern Ontario as a whole has less than 10 per cent of Ontario's population, yet it occupies more than 90 per cent of the land mass.

I was hoping to congratulate the minister today for years of dedication and effort in enhancing the economic possibilities of tourism and recreation in northern Ontario, but the record of the government is nothing short of failure. We have had Taj Mahals erected to honour the vanity of some members, and I am referring specifically to Minaki Lodge, where a sum exceeding \$50 million was spent. I see in your leadoff that you are prepared to perpetuate this sort of travesty.

What has taken place at Minaki borders on the dishonest. If I were a columnist and if my editor and our legal department advised me I would not be sued, perhaps I would volunteer the following: It is a clear example of pork-barrelling. We feel it is an example of what is morally wrong; it an example of bypassing a mandate. We thought those things would never resurface, would never happen again.

Needless to say, our reaction was perfectly normal. We were appalled and shocked for the second time when we noticed what was taking place in a small township in Muskoka, where \$5 million of taxpayers' money—we have not learned any lessons from Minaki—was spent, but not to give Ontarians or the less fortunate in our society a chance to enjoy tourism and recreation and become like others. No, we did not want to be our brothers' keepers. We took \$5 million—and I cannot repeat it too often—from the workers out of our collective taxes and gave it to the rich in the riding of Muskoka one week before we have a change of government.

"He should not say this." People are busy. "He speaks with an accent." People are busy fumbling with their papers, but it is the truth. The estimates of this department are giving us the assurance that no, what has been done in of Minaki Lodge will never happen again. But he is stuck with it. We are not saying it is totally bad; no situation is totally bad. It has a rate of occupancy of 72.5 per cent or whatever. The crux of the matter is that every government agency, department, commission and board is

encouraged to go to Minaki Lodge, and they make up fully 30 per cent of the occupancy, and the records attest to that. It is a white elephant. If the situation were to repeat itself tomorrow, the minister would not even entertain it.

When I talked previously I used the tales of Houdini to illustrate the complexity of our accounting system. It is so difficult to make two and two equal four. At times one has to be a mathematical genius or a PhD from the Massachusetts Institute of Technology or Harvard to begin to comprehend the way you people shuffle figures.

I tried to find out where the \$30 million for the domed stadium would come from, \$30 million that was based on projected costs—the minister will correct me if I am wrong—of some \$175 million. Now we are told it will cost some \$250 million, or close to it. We have not been given the position of the government. We have the collective concern that we do not want the Premier (Mr. Peterson) to become pregnant. When we talk about \$30 million taken from our lottery system, we have a concern for the Premier and for others as well. We want the assurance that resources generated in the private sector will be tapped to their maximum before any tax dollars from Ontarians are directed towards this project.

I note that you are jotting those things down. I would be interested in getting the figures on where the money is coming from. One would imagine, given the popularity of your lottery system—enjoy it; those things are short-lived from time to time—that you will find the supplementary funds.

Nevertheless, when you take \$30 million and place it as Ontario's contribution towards the dome, it means there is \$30 million less for small municipalities. They run well; they do not make very much noise; they have basic services. There are some 850 municipalities in the province, many of which could be renamed Wintarioville because they have benefited greatly from your consideration and, yes, your generosity in looking at their programs. They always look forward to your financing.

They came to you, under your lottery system, as a last resort. They had no place else to go. If you did not come up with the dollars to help them to be like the others, to send the kids to the hockey arena—I will talk about insurance rates later on—then there simply would not be an arena.

So you realize fully that when you take \$30 million out—I am not saying it is wrong; not at all—you have a responsibility to see that the

direction and the services that have been given will continue, that you will not pull the rug out from under those people, as a guarantee, as a commitment. You have that latitude; you have the power to see that they will continue to enjoy those services.

In concluding, I do not want to be too long. You have taken 42 minutes. I have not prepared any supplementary comments, because we have been absorbed by the ministry. Overall, we would like to see more funding and more daring ventures. We would like your staff to examine the possibilities of enhancing the tourism sector. We invite and encourage you to move up north to see what the north has to offer.

We also want you to keep in mind that more than 60 per cent of our tourists are Ontarians. The minute we leave our homes, we become tourists. The American market is very good. We will continue to be in a deficit. Exchange rates tend to be cyclical. The marketplace will decide whether it will be adjusted upward or downward. We cannot depend on it.

We can put our best foot forward. We can advertise, and it is difficult to be more efficient when you cut dollars in advertising. We are talking about some \$2 million that has been cut. You have to sell, sell, sell, because you are competing for tourist dollars.

Providing complimentary letters to ministers of the crown is not my forte. I am past 25 years of age and I do not intend to start. Nevertheless, it does pay me to note—and I say this on behalf of the New Democratic Party—that we believe in your efforts. We sense that you are on the right track, with pitfalls, shortcomings and reservations.

We know for a fact—and this I can say with all the sincerity at my command—that your staff believe in what they do, and you are blessed with that. They are very much a part of your ministry. You are privileged. All I want us to do is to cross over. I do not say this because they are here; I do not need to do that. What I am saying is that you sense readily that they belong, that it is part of their makeup. We encourage you to give them incentives, because without Tourism and Recreation, without that staff, your mandate would become fragmented rather quickly.

It is not a new beginning, but the New Democratic Party believes you are on the right track. We have given you indications of our support in the House. We will continue to offer positive alternatives. We thank you very much for your contribution.

11:20 a.m.

Mr. Chairman: We had anticipated a bit longer response from you. Mr. Rowe had asked me yesterday to allow him to present his criticism on the next occasion, because he is going to be approximately an hour. If you are prepared to proceed, Mr. Rowe, it appears you can do so. I understand you have a very important overseas call at noon.

I propose that we break at 11:55 a.m. and resume when you are finished with your call. That would allow us to hear your address. If your estimate is overgenerous, we may even get the comments of the member for Fort William (Mr. Hennessy). We could then move along on the next occasion to additional items.

Mr. Rowe: After talking with you and with the critic for the third party yesterday, I did not bring all my remarks. What I intend to do, with your approval, is to touch on those I have with me, and possibly when I finish that, we could adjourn, if that would be appropriate and agreeable to the committee. It will not take very long at all since I have left behind the rest of my remarks.

Let me start by thanking you and taking this opportunity to congratulate the new minister on his appointment, as well as the deputy minister with whom I have travelled briefly. I want to explain to the committee that I held the role of critic for the Ministry of Correctional Services for a short time. I might say the deputy and I were on the inside looking out on one or two occasions as we visited some of the correctional institutions in the province.

Mr. Sheppard: You went to provincial jails, not federal jails.

Mr. Rowe: No, we never did any time. I would like to clear that for the record in the federal house. We were just visiting in the provincial house. We did not pass Go and we did not collect \$200, I might also say.

I wish the minister and his entire staff gathered this morning the very best for the future in their new roles. You are dealing with a very large, important industry in this province, as I am sure you are all aware, an industry that probably ranks second in size right along with agriculture in importance in the chain of ministries. So I wish you the best in the future.

I appreciate this opportunity to participate in a review of programs in the estimates for the Ministry of Tourism and Recreation. It is important to understand and appreciate the social and economic importance of the Ontario tourism and hospitality industry in the context of this

review. I want to reiterate that for the public record.

The estimates and statistics I have here and wish to touch on in the next few minutes are 1984 statistics. The 1985 estimates are available, and I will touch on some statistics for 1984. The tourism industry is the province's largest employer. In 1984, the Ontario tourism industry accounted directly for 195,000 person-years of employment, which is a staggering number when we stop to think of it. Indirect and induced employment bring the total to at least 354,000 person-years or 12 per cent of Ontario's employed work force.

Ontario's tourism industry is the largest provincial employer of women, youth, semi-unskilled and seasonal workers. The industry continues to be the largest sector of Ontario's retail and service trades, with 30,000 businesses deriving all or a substantial portion of their incomes from hospitality and travel expenditures.

In 1984, the Ontario tourism industry generated \$1.993 billion in available and valuable foreign exchange earnings from American and other foreign visitors. Our tourist expenditures in Ontario of \$7,136,000,000 during 1984 generated \$12,487,000,000 in economic activity in Ontario and Canada. I do not think anyone in the business field in the province could argue about an investment of \$7,136,000,000 with a return of \$12,487,000,000. Many of us sitting on the committee would enjoy owning a corporation that would generate that kind of income over the course of a year.

The provincial sales tax collected on tourism revenues in Ontario during 1984 amounted to \$1 billion. In my opinion, a conservative estimate of the total value of federal, provincial and municipal taxes on tourism income and property generated in Ontario during 1984 is \$2.2 billion. This sum excludes excise, sales and other taxes and levies applied to industry purchases of supplies, materials, commodities and equipment during this period.

The vast majority of Ontario's tourism enterprises are family-owned small businesses employing fewer than 20 persons. We should note that more than 75 per cent of new employment opportunities are being generated by the said small service businesses, according to Statistics Canada. As a part owner of a family business, I can relate to those numbers and the important role small business plays in the economy of this province.

The Ontario tourism industry also stimulates regional development in areas where economic alternatives are either few or nonexistent. This is particularly true in the numerous one-industry communities throughout the province which have suffered or are suffering the effects of declining natural resources, i.e. the mining and forestry industries and others, technological displacement, industrial rationalization and economic transformation.

The Ontario tourism industry is an environmentally clean and renewable resource which provides vital business and trade and social, artistic, recreational and educational forums for our citizens and the visitors we entertain from all over the world.

I want to take a moment and turn my focus to the division of tourism within the ministry in which I have particular interest as the opposition critic. Over a long time, this division has fostered a productive, co-operative and constructive working interface with the entrepreneurs and the many men and women who own and operate tourism and hospitality enterprises within Ontario.

In close concert with the private sector, it has been the catalyst for the development and implementation of tourism research, planning and marketing, plant upgrading and expansion initiatives which have made our province the largest and most desirable travel destination in Canada. One might say that 42 years of Conservative rule in this province were and—I might just sneak it in here—will again be good for the socioeconomic fortunes of our vital tourism resource.

Mr. Chairman: You really snuck that in.

Mr. Rowe: I knew that might raise the minister's eyebrows. That is why I thought I might drop it in there at this time.

Since I was appointed the Tourism critic for my party a few short weeks ago, I have met and corresponded with a broad cross-section of the many good people who own and operate and/or manage tourism, hospitality, recreation, transportation and travel enterprises of various sizes and types. The message the vast majority of them have imparted to me is rather disturbing.

11:30 a.m.

Some of the feeling out there is that they cannot trust the present government, and some do not. They are very concerned that the proposed social and labour policies that are on the burners and coming forward in the current government of Ontario may force a good number of them out of business. I cannot think of a single

important sectoral group within our provincial economy which, if not handled carefully, will be more badly treated and maligned on the present track we may be taking than the tourism and hospitality industry.

Unlike other sectoral groups, these entrepreneurs are very patient, congenial and courteous. They are probably that way because of the nature of their business. I respectfully submit, however, that their collective patience with the present government is wearing thin. They may erupt in wholesale disapproval and condemnation unless some positive and concrete steps are soon taken to deal with several important matters.

The lack of initiatives, the reduced productive budgets we have seen in the estimates and the sagging morale of professional public servants are some of the things that have plagued the tourism division since early July. I assure this committee that my party confers, and I will be closely scrutinizing all the ministry's personnel, program and budgetary activities, or lack thereof, in this estimates process. We will be asking pointed questions to which full and complete answers must be given for the identification of those many thousands of Ontarians who depend on the tourism industry for all or a substantial portion of their livelihood.

I read with great interest the opening statement by the minister. It was a glowing report, one might say almost completely believable if you were to stay here at Queen's Park and never leave the building. However, that is not reality, Mr. Chairman. You and I both know that. When one travels about the province, all is not as well, by any stretch of the imagination, as this report might indicate.

I found a copy of a few remarks the minister made as the Liberal Party's official critic for Tourism. I would like to take a minute and touch on some of the concerns I note he had at the time but that seemed to be lacking in his opening remarks.

One of his major disappointments in the 1984 budget was its failure to deal effectively with our tourism and hospitality sectors. I am not sure that has been done in the opening statement. Maybe when he goes through the estimates in detail next week, we will find it has been done. That remains to be seen.

Mr. G. I. Miller: He is just cleaning out the old and brooming out the corners. It takes a while to get a new program under way.

Mr. Rowe: We will get into that next week. One of the present minister's concerns last year was the loss of competitive edge because

provincial taxes were too high and that hurt the tourism industry. We will probably be dealing with that when we discuss some of the increased taxes I note in the latest budget the government has brought out. I wonder how that will help our tourism industry.

He had a concern about the cost of alcohol being too high, especially in licensed and dining establishments. I somehow failed to find that corrected in his opening remarks or going through the estimates. I did not find any reduction for these licensed dining establishments in their purchase of liquor, or any rebate or reduction on the gallonage tax that might try and stimulate, help and promote the tourist establishments, many of which have licensed dining rooms.

I notice he thought the government taxation policies hurt American tourists and that Ontario lost part of its share of the world tourism market, thus losing \$850 million to the economy. The price of gas was also mentioned at different times by the minister last year when he was the critic.

We might deal with that as we get further into the estimates and find somewhere there something about a reduction in the price of gas. I did not see it, I must be honest with you, in going through the estimates, but maybe there is a reduction in the price of gas for tourists this year; I am not sure.

As we go on, we will deal with the different sections, different disappointments, obvious missing parts of the programs we thought we might have seen but that are not there.

I will end there, if it is agreeable. If Mr. Hennessy or my colleague from the Peterborough area would like to add any comments, I will leave it at that.

Mr. Chairman: Mr. Hennessy has indicated he is not prepared to go. I am not quite certain, being a new chairman with estimates, whether we require the consent of the committee to have an additional critic.

Mr. Chairman: Go right ahead, Mr. Sheppard.

Mr. Sheppard: As I was going over the minister's brief, coming from the great riding of Northumberland, I see he did not mention the Cobourg-Campbellford area at all, although he mentioned Peterborough. We live in a very important tourism area. I wonder whether he has anything in his ministry, such as a grant, that is going to help that area.

For instance, I think we have real potential in Cobourg with regard to our harbourfront. The mayor and the town council in the past have

asked for several grants to spruce up the harbourfront in Cobourg. I know it does not all come under your ministry, but we would certainly be interested in seeing what we could get out of the Ministry of Tourism and Recreation.

You are a great friend of an ex-mayor, Jack Heenan. If you go to Campbellford in the summer, probably 60 per cent of the business in Campbellford is tourism. An old friend of yours, Morley Tanner, was mayor there when you were mayor of Lindsay and maybe you were a friend of Mike Wladyka when he was mayor of Port Hope.

When I talk to these ex-mayors, they quite often ask me how you are doing. Naturally, I tell them you are doing an excellent job as Minister of Tourism and Recreation but not enough for eastern Ontario, especially the great riding of Northumberland. I want you to have a look at your budget again and see if you could put more money into what we call the Pine Ridge Tourist Association.

Mr. Haggerty: I have a point for clarification. Normally, the minister leads off with his estimates and the two opposition leadoff speakers follow. Then the procedure is that the minister may respond to them. Are we going to open it up and just go flying all over the whole estimates or are we going to have some procedure here?

Hon. Mr. Eakins: I wonder if I might respond to that before proceeding. Will Mr. Hennessy be making some remarks as the Conservative critic for recreation?

Mr. Chairman: He tells us that he is not ready to go today.

11:40 a.m.

Hon. Mr. Eakins: I would like to be able to respond to the opening remarks of the two critics. If Mr. Hennessy is going to speak, I would like to be able to respond more adequately when Mr. Hennessy has spoken. I will be prepared then to respond to the opening remarks at the next sitting, so I can have the information you want then. Also, perhaps Mr. Hennessy will have an opportunity to make his remarks, if not today, then early on the next meeting day.

Mr. Chairman: That is the fair way to proceed.

Mr. Haggerty: As I go through the public accounts, I think the member who represents Thunder Bay would have only complimentary remarks about how well he has been treated in that area.

Mr. Chairman: Would you like to speak on behalf of Mr. Hennessy?

Mr. Haggerty: It is the district of the ski industry. I was just wondering why, if we are going to be delaying this, we cannot proceed.

Mr. Chairman: Mr. Hennessy is a critic. As a critic, I guess he gets to criticize.

Mr. Haggerty: I hope he is not going to be too critical of the assistance that has been given to the tourist industry in the Thunder Bay area for the last number of years. One might say it has been generous.

Hon. Mr. Eakins: It is only proper that Mr. Hennessy be given the full opportunity to say whatever he would like as his party's critic for recreation. Recreation is half of the ministry; it is a very important part and I would like to have his comments. I would like to be able to respond to all the critics at that time, if that is okay.

Mr. Chairman: Let me explain to the committee why Mr. Rowe was not prepared to do his full criticism today. We knew what the length of the minister's statement would be. We were not sure what Mr. Pouliot's would be and we tried to accommodate him so he could disappear across the water. In the light of that and because of that, Mr. Hennessy, understandably, was not prepared to proceed.

I think the suggestion the minister made is fair, that we should adjourn for today, unless Mr. Rowe is prepared to present more of his criticism.

Mr. Rowe: No, I am not ready today. I apologize. I had thought we would probably go until 11:45 or so with other comments and then I would have given a full report. I have possibly another 15 minutes or so of comments I might make on Thursday, if it is agreeable to the committee and the minister.

Hon. Mr. Eakins: I am in your hands. I am quite agreeable. We are here to learn as much about the ministry as we can and to have your input. I would also like to suggest to the critics that this is a very large ministry with many parts to it. As we go through, whether it is one of the boards, commissions or agencies, a part of the tourism division or the recreation division, if there are particular issues you want to raise on a particular day and let us know, we will make sure people are here who can respond to your questions. Whether it is the advertising agencies or whatever, you should have full opportunity to know about the program and ask questions. I invite you to do that.

You could let the deputy minister or somebody in our office know of any particular part of the ministry that is of interest or the people you would like to have here. We just want to make sure they are not just sitting here if they are not needed. If you know when you would like to question them, let us know and we will make sure those people are here.

Mr. Haggerty: Do you want to move an adjournment?

Mr. Chairman: I am not sure the minister is finished yet.

Hon. Mr. Eakins: I am just going to respond generally to Mr. Sheppard. My opening remarks were simply an overview of the total ministry for the whole province. I certainly was not singling out Peterborough for extra consideration. I was referring to it as the home of the Ontario Summer Games this year. In that way, it will play an important part.

I appreciate your comment about my colleagues in Northumberland. During my municipal days, we had an excellent relationship in working together. I can assure you the great riding of Northumberland is as important to me as any other part of the province.

Mr. Sheppard: To be fair to our party's critics in case they would like to say something, I would like to say a few words. Rather than saying them now, I will give Mr. Rowe the opportunity to finish next Thursday.

I move we adjourn. We have only five hours.

Mr. Chairman: Nine.

Mr. Sheppard: Good. As the minister says, it is a big ministry and there are a lot of agencies. It is only fair that we adjourn now and let the critics finish at the next sitting so the minister will have time for rebuttal.

Hon. Mr. Eakins: Mr. Rowe, and we hope Mr. Hennessy, will continue at the next sitting.

Mr. Chairman: I hope we can proceed that way, although we would like to complete these before the magic date by which we all hope to get out of here. In the light of that, at the next

meeting we will carry on with the conclusion of your criticism and that of Mr. Hennessy and then get into the estimates.

Perhaps we will ask that we move the order of the votes around a bit. It might be appropriate to address that now. The request has been made that next week we proceed to ministry administration first and then consider recreation, sports and fitness. That is taking a bit of it out of order. We are giving you advance warning of what we would like to do.

Is the committee content with that?

Mr. Haggerty: So we will be dealing with the first vote next week then?

Mr. Chairman: Yes.

Mr. Haggerty: What day and hour?

Mr. Keenan: The reason for the request is that there is an important seminar on international recreation that the recreation people have set up for February 6, which is the second Thursday. With your indulgence, our request is to avoid having recreation on that day. One way, time being available, is to deal with it next week. If that is not possible, our request would be to deal with it on February 13.

Mr. Chairman: Perhaps that will assist the minister's concern that only staff who would be dealing with that issue need come back. I am sure by the time we get finished with the balance of the statements of Mr. Rowe and Mr. Hennessy and then deal with those items, probably that is the most we are going to get done. Perhaps you can have somebody on tap as well for the first item on the program. That way we will make sure we use the day completely.

Are there any other comments.

Mr. Rowe: As I see it, we will be dealing with vote 2901.

Mr. Chairman: Yes, 2901 and then 2904. Then we will revert to 2902. Perhaps the staff dealing with those votes could be here on the next occasion and that will allow us to complete that day.

The committee adjourned at 11:49 a.m.

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Haggerty, R., Vice-Chairman (Erie L)
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Sheppard, H. N. (Northumberland PC)
From the Ministry of Tourism and Recreation:
Keenan, J. W., Deputy Minister



No. T-2

Hansard

Official Report of Debates

Legislative Assembly of Ontario

Standing Committee on Regulations and Private Bills
Estimates, Ministry of Tourism and Recreation

First Session, 33rd Parliament
Thursday, January 30, 1986

Speaker: Honourable H. A. Edighoffer
Clerk of the House: R. G. Lewis, QC

Published by the Legislative Assembly of Ontario
Editor of Debates: Peter Brannan

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON REGULATIONS AND PRIVATE BILLS

Thursday, January 30, 1986

The committee met at 10:07 a.m. in committee room 1.

ESTIMATES, MINISTRY OF TOURISM AND RECREATION (continued)

The Vice-Chairman: The chair sees a quorum.

Mr. Rowe: I have had the opportunity of reviewing the minister's statement in more detail and would like to continue my opening remarks with additional comments and questions for the minister. Since my colleague the member for Fort William (Mr. Hennessy), our recreation critic, unfortunately cannot be here today, I will also present his opening remarks with your approval, Mr. Chairman.

There are a number of issues I wish to address. If there is agreement, perhaps the minister could make his reply at the end of Mr. Hennessy's comments.

The Vice-Chairman: That is provided the answers to questions are handy or available. They may have to come from some other section of the ministry. We will do our best.

Mr. Rowe: My only thought was that we would not stop; we would go right through then come back. I will be raising issues in the overview and going into more detail as we reach each vote and item.

The opening statement of the minister made reference to the commitment of his government to fairness, openness and accessibility to all Ontarians. While these statements get great press from a fawning media that will soon see through this veneer, the backroom Grits in the office of the Premier (Mr. Peterson), in concert with the minister's personal staff members, are busy carrying out their political agenda. This includes termination of capable, qualified and respected professional civil and public servants, appointment of loyal Liberal hacks to provincial agencies, boards and commissions and a commitment to a diehard philosophy, which in my opinion will bankrupt this province and drive hundreds of productive businesses employing thousands of Ontarians to other jurisdictions.

I seriously question whether the minister, whom I respect, is in control of the ministry. We

strongly suspect, and these discussions may prove it, that this ministry is being run by the executive assistant to the minister and by Mr. Ezrin of the Premier's office. It is well known that these two gentlemen have orchestrated most hirings and firings within the ministry, replacing appointees to boards of crown agencies and commissions that report to the ministry, awarding contracts and possibly even appointing a private sector representative to the Advertising Review Board.

The litany of staff goes on, while the minister is isolated from the reality of the situation by a personal staff which, in my opinion, knows little and cares less about interpersonal relations. Fortunately, the ministry has a dedicated and qualified professional administrator in the person of Jim Keenan, deputy minister, who is scrambling to put together a professional team that can deliver meaningful and productive programs to the important client group in tourism.

I am interested in the events by date which led to the resignation of Michael Baker, former assistant deputy minister of tourism. When did Mr. Baker tender his resignation and what were the financial terms of the settlement?

Also, I am interested in the memorandum sent to management staff during the summer, informing them that henceforth all hirings would be screened through the minister's office. Is this not a circumvention of due process as outlined by the Civil Service Commission?

I am also interested in the memorandum sent to ministerial staff in July informing them that henceforth external correspondence was to reflect the philosophy of the new government. I am wondering if that, in a sense, is forced censorship.

What administrative changes have taken place in the planning and administration division since the minister assumed office? Will the minister provide names, dates, qualifications and responsibilities of these?

The minister has indicated an intent to encourage the use of co-operative tourism advertising, making reference to the recent four-page colour supplement on fishing holidays being featured in three major outdoors magazines. That supplement was a result of efforts of the Northern Ontario Travel Associations, the

Northern Ontario Tourist Outfitters Association, the private sector and the former government, as have been all the latest tourism programs announced by his ministry. The "Ontario—yours to discover!" tourism advertising and promotion program is a perfect case in point.

When the Liberal government came into office, it froze all planned and pending forms of government advertising that had not been contracted and/or paid for by the previous government. On November 29, I asked the minister in the House why his ministry reduced the revenue-producing tourism marketing program budget and why no commitment has been made to replace the \$2 million per annum Board of Industrial Leadership and Development funding which was allocated to tourism marketing initiatives in the United States. The answer was: "We are committed to the tourism industry. There will be no reduction in advertising as it affects tourism in the province."

I remind the minister of the net results of the erosion of base tourism marketing budgets in his ministry since he assumed office. A few examples: \$250,000 was cut from the base tourism advertising budget in August by the Ministry of Treasury and Economics, the planned "Ontario—yours to discover!" fall television campaign was cancelled and newspaper tourism advertising was almost completely wiped out. I understand "Ontario—yours to discover!" winter advertising and promotion initiatives are going ahead as planned.

Traditionally, in September or October your ministry allocates its preliminary base budget for the next fiscal year. However, this past fall, because of the lack of sensitivity of the present government to the importance of tourism marketing initiatives, I understand preliminary base budgets for 1986-87 were not committed until mid-December. We have it on reasonably good authority that at that time the preliminary base tourism marketing budget was reduced by 7.2 per cent, with no replacement funding for BILD moneys committed by the former government to US marketing initiatives.

I ask the minister to elaborate on this matter and to inform the committee of the status of discussions with Treasury as to whether the ministry must assume responsibility for the cost of US currency exchange for media purchases in the US market. In quick calculation, this could result in a net buying power reduction of \$1.6 million.

Further, I ask the minister to explain to the committee why the ministry has not yet devel-

oped any definite tourism advertising plans for budget allocations pursuant to the spring and summer of 1986, which is only a few weeks away. For several months, the private sector in tourism has been pleading with the ministry for this crucial information to plan its tie-in and co-op marketing initiatives. The minister mentioned in his statement that he was keenly interested and supportive of co-op advertising with the private sector. I suggest the private sector needs more time than a few days to put its plans together.

I remind the minister it was the previous government that increased co-op marketing funds to the participants in the Ontario travel association program by some 33 per cent in the fiscal year 1985-86. I presume from the minister's comments that co-op marketing funds available to OTAP for fiscal 1986-87 will be substantially increased.

I want to make a few comments on the interministerial task force on insurance. Why is the Ministry of Tourism and Recreation not represented on this task force when virtually every sector in the tourism and hospitality industry is being severely affected by skyrocketing liability insurance?

The deputy minister is familiar with the serious liability insurance problems confronting the Ontario motor coach industry and is to be commended for his efforts on their behalf. However, I remind the minister that this problem extends far beyond the motor coach industry within the realm of his ministry's responsibilities.

A partial list of tourism and hospitality enterprises that are experiencing extreme difficulties in obtaining liability insurance—and if they can, it is at a tremendously inflated cost—include small hotels, licensed dining rooms and taverns, attractions of all kinds, ski resorts, motels and motor inns.

The problems are so severe that Tourism Ontario and its member associations have formed a liability insurance committee to review all facets of the insurance program facing various sectors of the industry and will be making several constructive recommendations to the task force on insurance and several relevant ministries on how to overcome these problems by legislation and other means.

In the motor coach industry, liability insurance per coach is up substantially, ski resorts have up to a 1,000 per cent increase, taverns and small hotels are looking at increases of anywhere from 150 per cent to 300 per cent and motels and motor

inns in rural areas are experiencing problems in getting property insurance at all because fire and liability insurance is difficult to get for wood buildings.

On another point, I see the minister has a proposal for another task force; this one is to conduct a review of the tourism programs. I am somewhat surprised there are any Liberals left to sit on a task force, given the frequency with which this government is using this vehicle to address the problems and issues of the day.

I appreciate that reviewing the programs is necessary and that consultation with other ministers, ministries and outside representatives in the industry is very important, but is another task force necessary right now? Maybe it is something the minister should take a look at. Can he provide further details to us, such as who he would propose to be on the task force, its possible terms of reference and its expected reporting date? Would there be any disruption of programs providing assistance to the industry while this review is being undertaken?

I also want to look at some of the parks and attractions in your ministry. Since the St. Lawrence Parks Commission is one of the better revenue-generating attractions, with several individual attractions such as golf courses, snack bars and restaurants, has the minister considered running it like a business, similar to the Niagara Parks Commission?

Then there is Minaki Lodge. In his opening statement, the minister said Minaki will require additional capital expenditures to maintain effective operations. While my colleagues and I remain critical of the size of the initial capital investment in Minaki, we are nevertheless committed to its effective operation.

Mr. Sargent: How can you be critical?

Mr. Rowe: Wait and I will tell you. We anticipate that next year it will come close to breaking even, on the basis of operating costs and revenue.

Mr. Sargent: Unbelievable.

Mr. Rowe: Good morning, Eddie, it is good to have you with us.

Is the minister saying the government plans to continue operating Minaki and not sell it, as has been reported? If he plans to sell it, does he have any parties interested in buying it? Given the commitment to expanding tourism in the north, has the government considered the impact that selling Minaki would have on tourism in the north and on jobs, particularly for young people? He stated himself that employment reached 240 workers in its third season. Can he be sure selling

Minaki now would not have a negative effect on the north's tourism industry, which we all know can ill afford it right now?

Perhaps the minister could expound and tell us how he feels a reasonable selling price for Minaki can be obtained when a short time ago the Premier was reported in the press as saying, when asked by a reporter what the value of Minaki would be, it was "not worth very much." Does the minister consider this a good way to do business, especially for a government acting on behalf of Ontario and all Ontarians?

10:20 a.m.

I also have a few comments on the Metropolitan Toronto Convention Centre. Can the minister tell the committee whether the convention centre is also on the list to be sold? Is it also one of the agencies the Premier has on his list for disposal? If it is not going to be disposed of, can he tell us what future plans his ministry has for the centre? I know he will agree it attracts a good deal of international business to Toronto and plays a very important role in the tourism industry and the economy of Metro Toronto and environs.

While we are on the convention centre, I would also like the minister to give us an update on the present tax bill of the centre. Where will the funds come from if the tax bill has to be paid? Will it be internal or will the minister talk to his colleague the Treasurer (Mr. Nixon) to resolve this problem? Can the minister also confirm that the value of the outstanding tax bill could be between \$4 million and \$5 million for business and land assessment?

I wish to raise another issue of a general nature. It concerns the realignment of the Ministry of Tourism and Recreation and the Ministry of Citizenship and Culture. It has come to my attention that the municipality of Metropolitan Toronto is seriously considering requesting the province to sponsor enabling legislation that would permit it to levy an additional two per cent room tax on all commercial accommodation in Toronto, the funds from which would be split between arts and culture organizations and institutions in Metro Toronto and the Metropolitan Toronto Convention and Visitors Association.

I am interested to know whether the minister will support such enabling legislation. Is he aware of the situation? Has he or any member of his staff—for example, the Deputy Minister of Tourism and Recreation or the Deputy Minister of Citizenship and Culture—played a direct or indirect part in these discussions? After we have all worked so hard for so many years to get a

higher profile for tourism, which is what the industry lobbied so hard to achieve, is the minister suggesting now that we take a step backward and pick up some additional baggage for the Ministry of Tourism and Recreation to carry?

I am aware that one of the ministry's former campaigns is very near and dear to the minister's heart. I speak of the "We treat you royally" campaign. Does the minister intend to revive this program? Perhaps he can tell us how he intends to promote this attitude in Ontario. This assumes that he feels there is a great deal of room for improvement, an issue I am sure we could debate for some time. There is always room for improvement in anything, but it bears stating that the tourism and hospitality industry is aware of the value of treating visitors to Ontario and touring Ontarians well. Much of the industry acts in a courteous and helpful manner. I am sure the minister would not want to leave the impression that all should be tarred with the same brush. Maybe he would like to take this opportunity to make some comments and clarify his position.

During the course of these estimates and at the appropriate items and times, perhaps the minister will advise this committee what action he is taking concerning taxation and other benefits in the upcoming budget that might apply to the tourist industry. We would also be interested in knowing what suggestions he is making to the Treasurer.

The Vice-Chairman: There was an understanding at the last meeting dealing with the Ministry of Tourism and Recreation that once the opening statements were made by the ministry and both opposition parties, we would deal with Tourism and Recreation operations. I understand there is a convention or a conference being held. Am I correct in that?

Mr. Keenan: The proposal was that we proceed into ministry administration and then do the recreation vote today, if there is time, or on the last day of sitting, which would be February 13. We are trying to avoid February 6 if the committee would agree with us. That is for the recreation vote, not the Tourism and Recreation budget.

The Vice-Chairman: Are there any staff people here from the recreation part of the ministry?

Mr. Keenan: Yes, there are. They would be available this morning.

The Vice-Chairman: So we can get into it later on.

Mr. Keenan: Yes.

The Vice-Chairman: Do the committee members understand that? That is the procedure that will be followed. We will go into the ministry administration.

Mr. Rowe, you had about 24 questions you were asking. I hope there will be some response during the first vote on ministry administration. There are some related to that. Maybe the minister or his staff will come up with some of the answers to your questions.

Hon. Mr. Eakins: I want first to ask Mr. Rowe whether he is going to present Mr. Hennessy's comments now on behalf of Mr. Hennessy.

Mr. Rowe: If it is the wish of the chairman.

Hon. Mr. Eakins: I regret the bereavement in the member's family. I join with everyone here in extending our deepest sympathy and concern to him. I can understand his being away and we will give him every opportunity, if he wishes, to include any further comment when he returns. I am sure I join with all members here in expressing our condolence and our sympathy to Mr. Hennessy and his family.

The Vice-Chairman: We will proceed with the portion dealing with recreation.

Mr. Rowe: I have Mr. Hennessy's statement.

The Vice-Chairman: You may read it. Carry on.

Mr. Rowe: Mr. Hennessy, the recreation critic, could not be with us today; so I will read his comments for you.

"I am pleased to have this opportunity to air my views at the estimates of the Ministry of Tourism and Recreation. The minister's speech on the state of the ministry was most interesting and informative. I am happy to see he has decided to retain most of the programs my party initiated when we were in power. It goes to show that thoughtful and well-researched recreation programs can endure. They need only a little updating to keep up with the times.

"I hope that when the minister and his staff sit down to formulate new policies and programs of their own, their results will be as successful as those of the previous government. I do find it a little strange that the minister would heap such lavish praise on the tourism and recreation industry, calling it important to the economic wellbeing of this province, when the following will show that his government's actions do not reflect this.

"The Liberal government may have pledged \$60 million worth of road improvements, but it

also decided to push up the price of gasoline. Our province is getting the reputation of being a very expensive place to travel. What is the use of good roads if people cannot afford to fill their gasoline tanks?

"Looking back at the notes from last year's estimates, I find Mr. Eakins's comments to be amusing in a sad sort of way. Last year he said, 'The throne speeches and budgets of the past couple of years have held virtually nothing for our tourism sector.' Later on in his speech he said, 'I believe we are overtaxed and, therefore, we are overpriced and have lost much of our competitive advantage.' If the minister still believes the tourism and recreation industry is so invaluable to this province with respect to economic contribution, why were taxes raised?"

"I am also surprised the minister did not refer to the problems that plague the recreation industry today. Take the skyrocketing rates of liability insurance, for example. Recreation is a recognized and important aspect of everyday life. With more leisure time and an increased awareness of the importance of physical fitness, the people of this province are demanding a wider variety of recreation programs, not to mention the upkeep of those already in place.

"However, with the threat of soaring liability insurance rates, many operators of recreational facilities are faced with the nightmare of closure. Quite simply, they cannot afford to shell out the sky-high sums of money the insurance companies are now demanding.

"One such operation is the Blue Mountain Resorts Ltd. ski resort in Collingwood. This popular ski spot saw an estimated 500 per cent increase in its liability insurance costs this year. I was speaking to a Blue Mountain official last week and he told me that luckily, they were able to meet that cost.

"These astronomical rates will place a heavy burden on ski hill operations. My source from the Collingwood resort told me that if the insurance rates continue to climb dramatically, visitors to the hill will ultimately be asked to shoulder some of these burdens in the form of higher ski lift fees. Not only that, but each and every skier will also be requested to sign a waiver, declaring responsibility for any personal injury. As my source says, this will take some of the fun out of skiing.

10:30 a.m.

"The minister spoke glowing words about the success of Thunder Bay Ski Jumps Ltd. He talked about what a remarkable training ground it is for young Canadian skiers. He neglected to mention, however, that Thunder Bay Ski Jumps

is faced with the daunting prospect of paying exorbitant liability insurance rates. Thunder Bay Ski Jumps Ltd. negotiated a policy just last Friday, January 24, that sees it paying \$100,000 more than it did last year. This year it must fork over \$200,000. In 1978, it had to pay only \$7,000 for liability insurance. This increase is shameful.

"Thunder Bay Ski Jumps trains our best athletes in ski jumping, alpine and cross-country skiing. However, it is possible the money allotted for training these young athletes may soon have to be diverted to help pay for insurance. This will deprive these athletes of crucial training, and Thunder Bay Ski Jumps will undoubtedly lose its well-deserved reputation as a world-class ski training centre. I hope the minister will continue to have a strong voice in Ottawa, pushing for continued financing of Thunder Bay Ski Jumps. It would be a tragedy to allow these facilities to deteriorate.

"I found it interesting that 20 insurance groups decided to form a voluntary association in Ontario to provide liability insurance to small businesses and nonprofit organizations that have had difficulty obtaining coverage. Though some may view this move as a welcome relief, I see it only as a stopgap. What will happen next year when these new policies are up for renewal? Will we have to go through the same fiasco again? Even though this new association has included some recreation operations on its list of businesses it intends to help, it would be beneficial for this committee to note the problems and headaches caused by this liability insurance issue.

"In Durham West, the operator of Audley Road Stables had to close down his three locations because he could not obtain liability insurance for his three public trail rides operation. In Port Carling, the owner of Lakeview Farm Riding Stable was finally able to obtain coverage for the first time. However, the owner had to pay \$1,000 for just two months of coverage. They too have had to close a kiosk at a local KOA campground because of the outrageous cost of insurance.

"All across this province, recreation facility owners and operators are scrambling to obtain liability insurance. It should not have to be like this. I can only hope that this new association can give the beleaguered business people some hope. We should try, within our power, to make sure this never happens again. If the ministry is serious about the state of tourism and recreation in Ontario, this should be a high priority.

"Has the Minister of Tourism and Recreation discussed this issue with the Minister of Consumer and Commercial Relations (Mr. Kwinter)? Will he acknowledge that the recreation industry is in grave danger if liability insurance rates continue to climb so rapidly? Is he willing to make a commitment to those who work in this ministry that he will do his utmost to ease this situation?

"It is beneficial to talk about various programs and their mandates. It is a good idea to review programs to see whether they are still relevant to the times. Perhaps it is more important to attempt to solve the problems that are looming over these programs. We can talk until we are blue in the face about which plan is the best one to implement. I believe action is the best policy. Band-Aid solutions and promises are not enough.

"I was pleased to see that the ministry published an Ontario winter tourism guide encouraging readers to "make tracks north." I strongly support the promotion of northern Ontario tourism and recreation facilities. Northern Ontario is a natural draw for tourists. It is time we realized its full potential. Northern Ontario's attraction lies in its unspoiled and natural beauty. Precautions must be taken to protect the area from cheap, fly-by-night operations.

"Cross-country skiing is a sport that has grown rapidly in popularity over the past decade. Not only does it promote physical fitness, but it also gets people outdoors to enjoy what the Ontario winter has to offer. Perhaps the minister could look into providing more funding to improve existing cross-country ski trails. I am sure that establishing new trails in scenic locations will bring much pleasure to cross-country ski enthusiasts.

"It is important that we sell Ontario as an enjoyable spot to spend a winter vacation. Winter sports can be enjoyable if there are proper facilities and shelters. This is where the Ministry of Tourism and Recreation can help.

"Another issue I would like to discuss is that of women in sports. I realize the office of the Attorney General (Mr. Scott) is looking into several aspects of this issue, but as the recreation critic, I should let my views be known as well.

"In July 1985, the Liberal government announced that it intended to amend the Ontario Human Rights Code to allow women and men to compete together in sports. In September, my party contacted various sports associations to obtain their point of view on this issue. In

October, about 80 sports governing bodies and associations participated in the gender in sports conference. The overwhelming majority of the conference participants were opposed to the proposal to repeal subsection 19(2).

"My party advocates a full public inquiry into this issue. Has the Minister of Tourism and Recreation consulted with the Attorney General on this specific issue? Has he sat down with these groups and listened to what they have to say? Will he take into consideration their views on the repeal of subsection 19(2)? I believe a self-proclaimed government without barriers and walls must meet with these groups.

"Groups such as the Ontario Soccer Association are in a unique catch-22 situation. On the one hand, they may be affiliated with national or international parent groups that have a clear set of rules forbidding the integration of sexes on their teams. On the other hand, if the Liberal government's plan to repeal subsection 19(2) is passed, these groups will not be eligible for provincial government funding because they are adhering to their parent groups' rules.

"If a group does accept provincial government funding and allows team integration, the parent organization may ban that group from playing in national or international tournaments. This will cause a serious deterioration in calibre of Ontario athletes. Has the minister closely examined this aspect of this issue?

"Another headache that will be caused by the repeal of subsection 19(2) is the issue of liability insurance rates for those integrated teams. Has the minister considered the ramifications of this? It would be beneficial if the minister sat down with these groups, if he has not done so before, to consider the implications of the repeal of subsection 19(2).

"This ministry's mandate is that of providing the best recreation services and programs it can to the people of Ontario. This includes studying local social and legal issues that may concern the recreation industry of this province.

"The minister outlined some recreation programs in his opening statement last week. I would like to receive further details on a few of these programs. How much will the national coaching certification program cost the Ontario government and taxpayers? What exactly do the theory courses contain in terms of curriculum? The minister spoke of the corps d'élite of Ontario. How will the ministry honour these volunteers?

"On Tuesday, the Minister of Natural Resources (Mr. Kerrio) told the Legislature that his

ministry is proposing a \$10-a-year angling licence fee for Ontario residents aged 18 to 64; residents 65 years and over would pay \$5 a year. Sport and pleasure fishing play an important role in our tourism and recreation industry. Has the Minister of Tourism and Recreation discussed with the Minister of Natural Resources how this licence fee will affect the tourism industry of this province? Does he foresee any problems with the implementation of this proposal? How will the ministry inform the people of Ontario of this licence fee? Will the American tourist who comes across the border to fish be subject to an increase in licence fees?

"I am also interested in knowing the cost of processing such licence fees, since some of our estimates show it could be as much as \$10 a person just to process a licence. If that is the case, I want to know how much money is left to restock our lakes. In the past, the Liberal Party seemed to be dead set against the idea of a licence fee for fishermen.

"Those are my comments concerning the recreation division. I look forward to hearing what the minister has to say about some of the issues I have mentioned."

10:40 a.m.

Hon. Mr. Eakins: I will respond to some of the comments made during our first sitting. I will take the opportunity to respond more fully to Mr. Rowe's and Mr. Hennessy's comments at our next sitting or perhaps as we go through the various ministry votes.

Quite a number of concerns were raised here, and I would like to address as many of them as I can. I am sure members of the staff who are here will be pleased to address those for which I do have not the full details, and I think members should take every opportunity to talk with members of the staff about the program concerns that have been raised. However, I want to respond to a few of the comments expressed last Thursday by Mr. Pouliot and Mr. Rowe.

I am delighted the question of my ministry's budget was raised. It gives me an opportunity to address the misconception that it was cut. It was not; in fact, it was increased this year by a substantial \$28.8 million. We can explain that a little later. There is confusion in some people's minds about the budget; perhaps they did not take into account the \$32.2-million special warrant or a \$15.3-million statutory appropriation.

As you know, the timing of the May 2 election did not allow spending authority by the Legislature for the beginning of the year, and the previous administration authorized spending by

special warrant to provide funding for about the first three months of the government's operations. Had the House been in session at the time, this \$42.4 million would have been voted on as part of the estimates, bringing the figure of \$109.5 million mentioned by my colleague to \$166.9 million when one adds in the statutory appropriation. We all know statutory appropriations are items on which we do not vote.

On the matter of my ministry's budget, I have attempted more than once to correct the misunderstanding that it was cut, when it was increased by \$28.8 million. I bring this to your attention so we can set the record straight.

On the question of French-language services, I concur completely with the objective implied by Mr. Pouliot, namely, to ensure and promote fully the expansion of services in French for the francophone population in Ontario. We appreciate Mr. Pouliot's support and encouragement in this instance.

To that end, my ministry has a full-time French-language co-ordinator, which was not the case under the previous government. The French-language co-ordinator is now conducting a review of this ministry's French-language services. As I said in my opening statement, once the results are known, we will adopt a ministry-wide policy on the provision of French-language services for French-speaking Ontarians and visitors to this province.

I am sure Mr. Pouliot will be pleased to note that for the first time, the 1984-85 annual report was produced in French as well as in English. This year, also for the first time, all grants brochures outlining eligibility criteria and the respective application forms were produced in French as well.

Further, we are aware of the potential that Quebec offers as a tourism market. We are interested not only in having Quebecers visit Ontario but also in forming a partnership with Quebec for the express purpose of exploring new ways and means of attracting foreign visitors to our two provinces.

Both our provinces' marketing efforts in the United States will be assisted this year by the federal government's tourism print advertisements, which for the first time will feature the favourable exchange rate for prospective American travellers. This new approach is a direct result of provincial representations to the federal government and is one I heartily endorse.

The foreign exchange advantage will also gain greater marketing prominence in our campaigns, and we are looking forward to a positive response

to the creative advertising being produced by our new agency, Vickers and Benson.

My ministry will also bring to the attention of the American public the overall lower prices of the Canadian hospitality sector. The favourable rate of exchange may be with us for some time, but we must not come to rely on it. As a province, we must provide a positive tourism experience, and this must include hospitality services of the highest order. Quality of service has long been one of my key priorities.

I have a strong personal commitment to the improvement of hospitality in the province, and I have asked my staff to develop proposals to help us meet that goal. Our programs will challenge us all, industry members and the general public, to make travellers in our province feel truly welcome.

Another priority is tourism in northern Ontario. When I became Minister of Tourism and Recreation, I immediately asked ministry staff to develop a business plan to enhance the contribution that tourism makes to the economy of the north. As well as developing my own ministry initiatives, I have been working closely with colleagues, especially the Minister of Natural Resources (Mr. Kerrio) and the Minister of Northern Affairs and Mines (Mr. Fontaine), to explore jointly ways and means of enhancing tourism development in northern Ontario.

As I indicated last week, we took the lead in organizing joint meetings with our colleagues to ensure that issues affecting the north are addressed in a comprehensive way. These meetings will be ongoing. Last November I met with the Northern Ontario Tourist Outfitters Association. At that time I publicly announced this ministry was developing a northern tourism strategy which I certainly agree was sadly lacking. A series of regional consultation conferences, which I also announced at that time, will provide a forum for planned input so their major priorities and concerns are addressed when, as I said then, sooner or later all planning degenerates into work.

While my colleague mentioned setting up a task force, it is not our intention that this be an all-party task force. It will be a task force of our ministry personnel meeting across the province with people in the industry to see how best they can be served and in what direction they feel we should be proceeding with and developing a dynamic plan for tourism. I assure you the final decisions on that are not going to be made at Bay and Bloor or at Queen's Park. They should be made in consultation with the people in the

business. That is our plan; it is not a formal task force in that sense.

I assure Mr. Pouliot his concerns for promoting the wellbeing of the north are shared not only by me but also by my colleagues in this government. This is why we established a cabinet committee on northern development to focus specifically on needs, concerns and issues directly affecting northern development.

My colleague the member for Simcoe Centre (Mr. Rowe) suggested that some of the policies of this government will drive Ontario's tourist operators out of business. It is difficult for me to imagine what policies he is referring to. Let me remind him it was the previous government that chronically underfunded our road system and it is this government which has allocated an extra \$60 million for the improvement of our roads so our tourists have easier access to our facilities.

It was this government that repealed the previous government's ad valorem tax on gasoline which means any future increases will require the approval of the Legislature; they will not be automatic. We will all be responsible for future decisions on this matter.

The tax exemption for meals was reinstated. While the level of \$1 may not be as high as some would like, it is symbolic of the direction we are taking as a government committed to promoting the hospitality sector. We took a similar direction with the accommodation tax exemption, which was extended indefinitely rather than reviewed annually as was the case under the previous government.

Small business, the mainstay of our tourist industry, was given a boost through the \$5-million increase to the small business development corporations program.

Also I want to point out to the member for Simcoe Centre that under the previous administration, Ontario was the only province without a marketing subagreement with the federal government. Steps are now being taken to initiate discussions in this area. I have already had initial discussions in this direction with my colleague the federal Minister of State for Multiculturalism, Mr. Murta. Lots of discussions must take place before anything can be realized.

10:50 p.m.

Therefore, I have a hard time trying to imagine what the member was referring to in his criticism of this government's policies, especially when one compares them with some policies of the previous government. As our critics stated, tourism in Ontario is affected by a broad range of issues: taxation, regulations, resource develop-

ment and exchange rates, among others. The issues are complex, yet they have never been addressed in a comprehensive manner. We propose to do this.

In consultation with the private sector and with our sister ministries, we will identify the respective roles of industry and government in finding solutions to and resolution of some nagging questions. I hope my colleagues here today will also participate in this long overdue process which will result in the encouragement of the tourism industry.

I would like to comment further on some of the remarks as we go along. However, we will respond to a number of them during the course of the discussion of the ministry's programs.

I believe some comment was made regarding the realignment of the Ministry of Tourism and Recreation with the Ministry of Citizenship and Culture. I do not know of any move in this direction. If this was a question about the city of Toronto initiative, I am not aware of any major moves in this direction.

The question of the base budget allocation deals with the 1986-87 estimates, not those of 1985-86. I do not want to get into that at this time, but I am confident it is going to be properly funded.

Our ministry has already taken some initiatives with respect to the insurance problem by making known the concerns of our industry to the task force appointed by my colleague the Minister of Consumer and Commercial Relations (Mr. Kwinter). I had some initial discussion with my federal colleague Mr. Jelinek some time ago.

I believe some of the immediate concerns are being addressed, but I share the concern that we have to look at the overall effect this is having. This is a problem not only in our province but also across Canada and in other countries.

Mr. Hennessy mentioned Thunder Bay Ski Jumps Ltd., whose liability insurance will go from \$5,000 to \$7,000. It is the Canadian Ski Association whose insurance has gone from \$100,000 to more than \$200,000. We are committed to the Thunder Bay ski jumps being the very best.

I suggest this government and previous governments have made a major commitment to it and I support the initiative. My colleague could help by convincing his federal cousins in Ottawa they should not opt out of capital commitments to the Thunder Bay ski jumps. The previous government in Ottawa made a commitment. We have now been told by the present one it is not

going to honour that; it is going to withdraw any capital investment there.

At this time, I want to pay tribute to the Thunder Bay ski jump committee, which serves well because it is one of the major events in this country. I think it is the first of the World Cup of Skiing series of jumps. I had the pleasure of spending a complete weekend there and seeing it in action.

I am very committed to doing everything possible to see it continues and grows because we do not want to lose it. I regret that the federal government has chosen not to honour a previous commitment.

The Vice-Chairman: Was I correct in understanding the minister to say he is not committed to making the jump?

Hon. Mr. Eakins: No. I think it is one of the outstanding events, not only in this province but also in this country. I would like to see a lot of support for the committee because I think that volunteer group, together with the corporate sponsor, is doing a tremendous amount to make it one of the world's greatest events. Not only was that event shown across Canada but it was also being televised in many parts of the world. It is a great opportunity to promote not only Thunder Bay but also this province.

I agree with the need to develop the potential of northern Ontario. I assure you I am a booster of the north and I am committed to increasing efforts to achieve this potential.

I have indicated support for the repeal of subsection 19(2). There is some discussion about this before the courts at this time. I will discuss some of the items further as we go along and perhaps some of them more formally when we have an opportunity to examine the many questions which were asked.

On vote 2901, ministry administration program:

The Vice-Chairman: I have Mr. Grande and Ms. Bryden.

Mr. Grande: I have a few questions. I do not know if I heard correctly what the minister said about the hotel and motel tax for the city of Toronto. Did I hear you say that you have no knowledge of that? I am sorry but I did not hear you properly. Would you repeat that last part, when you said you have no knowledge about the city of Toronto? Did it have anything to do with the hotel and motel tax?

Hon. Mr. Eakins: There were some references made to the city of Toronto and a realign-

ment of ministries. I am not involved with that and I am not familiar with it.

Mr. Grande: Okay, that is fine. The questions I have on the hotel and motel tax arise from the comment made by the Conservative critic. I was critic for your predecessor Ministry of Culture and Recreation and also for the Ministry of Culture and Citizenship. What are your comments regarding the debate that has arisen in the city of Toronto as a result of a recommendation made by the Toronto Arts Council in Culture Capital, which is one of the better reports we have seen in years?

A recommendation was made that the city of Toronto should seek special legislation from the province to allow the city to increase the hotel and motel tax by two percentage points to visitors only and not necessarily to Canadians who travel from other provinces to Ontario. What is your initial reaction to it?

Hon. Mr. Eakins: First, there should be full consultation with the people in the industry. We have attempted—as did the previous government and we supported it—to do everything possible to encourage as many people as possible to come to this province.

That is why we supported the elimination or the recouping of any tax by out-of-province visitors to give them that advantage. It is one of the incentives for tour groups coming into the province. Whether there should be an initial tax for cultural facilities or cultural programs—is that what you are saying?

Mr. Grande: No. If I remember correctly, part of the amount of money that would be collected in Toronto would go to culture, to the Toronto Arts Council, etc., and part of it would be put back into the Metro Toronto Convention Centre and other tourist facilities.

11 a.m.

There has been a debate in the city of Toronto over the past year with regard to this matter. Up to this time, the city of Toronto has not raised with this committee—at least not that I am aware of—a private bill to get that special legislation.

Yet the fact remains that you as a government need a reaction in terms of whether the kind of private bill that would be presented here would be acceptable to your ministry, the Ministry of Culture and Citizenship and to other ministries of the government.

Before I go into that, because the Conservative member was talking about this hotel and motel tax being somehow detrimental to the tourist industry, I would like to remind the member that

this tax is very common in cities in the US, such as Chicago, New York, San Francisco, St. Louis, Houston, Baltimore; you name it. It is a very common hotel and motel tax which provides funding.

As you know, in Ontario in the last several years, art and cultural groups have been tremendously underfunded. That recommendation was made so that there would be some funding to improve the cultural aspects of the city to attract more tourists. The tourist comes to Toronto for more than our cultural amenities, but the improvement of our cultural amenities improves tourism.

The tourist industry in the US cities I mentioned has not been averse to this, at least in the research I have done. There has been no negative reaction whatsoever from the tourist industry. I suppose Chicago is the city with the highest hotel and motel tax. It is substantial; I think somewhere around 15 per cent.

Therefore, before we make a decision about whether the city of Toronto should come before us to ask for that special legislation, I hope the research and the background is put together. My initial research does not suggest there is any detrimental effect on the tourist industry or on visitors to these cities in the US where this hotel and motel tax exists.

Hon. Mr. Eakins: First, in principle, I do not support any increase in tax. I have not seen the proposal of which you speak. If we are going to talk about something such as that, I think it would be helpful for us to see some submissions. It has not been made apparent to me that any have been made.

In the past number of years as critic—which has been a long time—I have been fighting to reduce the accommodation tax and I would not want to see any tax increased unless there were some pretty persuasive arguments.

The comment you made is quite valid. There is a very close relationship between tourism facilities and cultural facilities. Often, the cultural facilities are tourism attractions and vice versa. I think that means the two ministries have to work closely together in this regard.

I have already talked in a general sense to my colleague the Minister of Citizenship and Culture (Ms. Munro) about working together on a number of areas. There is a close relationship. I do not think we can set the ministries apart and say it is not part of us because it is culture; it is part of our ministry.

I would like to develop ways to work more closely together, especially in the area of

marketing. I am quite excited about the new agency. We have a new director of marketing. Initial discussions have already taken place to look at the marketing of tourism and cultural facilities. Our marketing director is here. Perhaps at an appropriate time you might like to ask Anne McCall what plans she has in that regard.

We already spend a large marketing dollar on cultural facilities. Lots of dollars from lottery funds are spent on this as well. I am sure that information can be made available to you. What you speak of is valid for the two ministries, except that I would have to see a proposal and I have not seen one. My desire is to make this province as inviting as possible to our visitors. I could not support increasing the tax at this time unless there was a valid presentation.

Mr. Grande: What you are suggesting is fair. The Ministry of Citizenship and Culture may have some information with regard to that proposal or at least might be more directly affected in gathering information and doing the necessary research, should the city of Toronto decide to come before us with private member's legislation in that regard.

Basically, I mention it because the Conservative critic and the minister talked about ways and means by which tourists can be encouraged to come and spend their dollars in Ontario, something we all want to see. We want to see our tourist industry increase because, if nothing else, the tourist industry produces jobs we sorely need.

Along the same line, there has been a tremendous amount of debate in the federal House in the past week or two about the price of gasoline. The fact is that while world prices have been decreasing sharply in the past six months to a year and prices of gasoline per litre in the US have been decreasing accordingly, that is not the case in Canada.

I wonder to what extent the minister thinks that detrimentally affects the tourist industry and visitors to Ontario. If he thinks it affects them detrimentally, what has this ministry or the Ministry of Energy done to persuade the federal government to do what needs to be done so that prices of gasoline in Canada and in Ontario are more in line with those in the US?

11:10 a.m.

Hon. Mr. Eakins: I can assure you that, on behalf of our ministry, I have regular discussions with my colleague the Minister of Energy (Mr. Kerrio). The question of gasoline tax is one that is in our total package of taxation concerns and that discussion is ongoing.

One of the initiatives is that we can all have a say in what happens in this province because of the elimination of the ad valorem tax. Any increases are going to come before the Legislature. As you know, the proposed increase did not take place and all members will have a say in any future decisions.

I was noticing just recently the high cost of gasoline in the eastern provinces. Even in Alberta, where there is no tax, the cost of gasoline is creeping up also. It is a question that is in ongoing discussion. I can assure you it is one I am concerned about and I hope we will be able to discuss it further. In the meantime, I am in constant discussion with my colleague in regard to this.

Mr. Grande: Concern about high gasoline prices and the prices not coming down in a way comparable to those in the United States has been expressed, not just in Ottawa but also by people going to work. What detrimental effects are there to the tourist industry and visitors from outside the country whom we try to attract?

Obviously, we are trying to attract Americans to come here—not that we do not want people from Europe; we welcome them all. However, the reality is that by and large, it is Americans who will be coming to Canada and Ontario for their holidays or what have you. Gasoline prices are an important factor in the determination of a tourist to travel north to Ontario and Canada.

The discrepancy exists even within Ontario between gasoline prices in the south and in the north. You were suggesting you want to encourage the opening up of the tourist industry in northern Ontario. I suggest that factor is a pretty darned important one in opening that up. I am not saying it is your responsibility. It is a government responsibility vis-à-vis the federal government and the policies it now is following in that regard.

Hon. Mr. Eakins: I know my colleagues in opposition will exert strong influence on their friends in Ottawa.

It is important to concentrate not only on our tax but also on telling the people across the border about the difference in the dollar values. I am amazed to find there was no concentrated effort in the past to do that. The federal government, in one of its major marketing campaigns in that area, now is telling them about the difference in the dollars and what their dollar means up here. Our marketing people can elaborate on that.

However, we should have been doing it over the years. We should have been telling them how effective their dollar is up here and what it means

for them. There has been no marketing plan in the past—this is the first time—and I give my federal counterpart, Mr. Murta, credit for zeroing in on this. This is going to be part of the new strategy to sell Canada. In selling Canada, we are selling Ontario and we agree with this approach.

The Vice-Chairman: The Canadian dollar has been the lowest in history in the past few days.

Hon. Mr. Eakins: If you wish, I would be glad to ask our marketing director, Anne McCall, to make some comment in this regard. It would be helpful if I introduced Anne McCall to you. She recently assumed the leadership of marketing with our ministry. If you have any further questions on marketing, you might like to ask her. Ms. McCall, will you comment on the question of marketing, especially with regard to the variance of the prices and the initiatives you have taken?

Ms. McCall: As the minister mentioned, the federal government will be advertising the difference in the dollar, the dollar advantage, to Americans this year. We have mentioned it in our advertising in the past, but we are going to emphasize it even further this year in our new winter ads. We are promoting it in every single ad in the United States and it has become one of our highest strategies in our spring and summer campaign for all our print advertising.

Is there another question you wanted me to address?

The Vice-Chairman: Have you any further questions, Mr. Grande? I have three others listed who want to speak.

Mr. Grande: That is the question the minister asked. The question I was asking—

Hon. Mr. Eakins: If you have anything on marketing, go ahead.

Mr. Grande: My question was primarily about the difference in gasoline prices between the United States and Ontario and Canada, and what effect that has on the tourist industry in our attempts to encourage tourists to come to Ontario. That is what the main drive of this ministry is about.

Ms. McCall: Gas prices are more expensive here. However, in the United States, visitors do not select a vacation spot on the basis of gas prices. They select on the basis of what they want to do and on the basis of value for money.

The studies we have conducted show that our province is not a destination that is perceived to be expensive in comparison to other destinations in the United States. To compare major cities

in North America, Toronto comes out about seventh in terms of overall expenses. In the accommodation sector, we are lower than most comparable cities in North America.

It is something we are looking at and continually monitoring. We look at it as a concern, but overall, we have to make sure we accentuate the positive things and that we are a good value-for-money destination.

Mr. Grande: That is fair. We have to stress the positive aspects to attract people here. In regard to the positive aspect, you also mentioned that Toronto is lower than most comparable cities in North America in the accommodation sector. That guides me back to ask a question about the hotel and motel tax. Regardless of the city of Toronto and the debate that is now occurring, what, if anything, is your feeling about the hotel and motel tax and how it influences visitors coming to Toronto and Ontario?

Ms. McCall: Our client, the hotel industry, has been telling us that it is a factor, and that is why we pressed hard not to have a tax on hotel rooms. In the US, as you mentioned earlier, they tax differently. One of the ways they tax is not a state tax but a designated tax. We do not have the same tax structure, so we cannot compare how money is raised in the US cities for certain cultural projects, megaprojects or tourism bureaus. It is not a straight and easy comparison.

We are concerned about price sensitivity in all the aspects, whether it is a tax on gasoline, hotel prices or entertainment. We are concerned about prices. Value for money is the first thing people look at, especially in the past few years, but these tax issues are not easily comparable.

11:20 a.m.

Hon. Mr. Eakins: For the information of the committee members, it is very important to me that we work not just in isolation but also with other provinces and the federal government. Do you have any comments to make about any initiatives or co-operation you are sharing with the federal government?

Ms. McCall: We are in negotiations now and we will be meeting next week with the federal government to discuss some co-operative efforts for newspaper advertising in the United States and to discuss some advertising in the US for cultural activities in the Toronto area next winter. There is also the cultural area in respect to festivals in the province for next fall. They are in the negotiation stages right now. We hope to have a proposal ready next month.

For the first time in my memory, we are also talking to Quebec about some joint initiatives, particularly in foreign markets where they do not necessarily know the structure. We have a better united force working with Quebec, particularly in Japan, which is one of our main growing markets. We are trying to move the Japanese from the western to the eastern provinces. We have been working with Quebec in Japan to do that. We are having a meeting within the next two weeks with the Quebec tourism marketing department. We hope to list all the things we are doing now in foreign markets to see where they can be done together for the benefit of both provinces.

Mr. Sheppard: Ms. McCall, there have been several tourist operators from my area, the south shore of Rice Lake, who have taken their own brochures to the United States. You work in this capacity. Is your ministry sending any literature with them if they ask for it?

Ms. McCall: In some cases we do and in some we do not. I have to look at each individually. At many of the shows to which operators go, we have a booth ourselves. We then provide literature on the province as a whole and try to accent or help promote this with the people there, and also to represent those who cannot afford to go or who may have chosen other locations. In some cases, we go alone and take our own literature.

In other cases, we send a certain number of copies with someone who goes to a show. We do not do mass distributions at shows we do not attend ourselves. I would have to look at the cases you mention individually. If you want to list those for me, I will be able to give you an answer next time.

Mr. Sheppard: To follow up on that, a few years ago my wife and I went to the United States. We wrote to one of the states and they sent us back a map. On it, they used a red crayon or marker to show the easiest or best way to travel to that destination. I presume the Ontario ministry does the same with literature. If somebody wrote to the ministry, you would send a map with the best way to get to a tourist operation in Ontario.

Ms. McCall: We have a large travel-counselling section that is in high demand. We cannot do individual routeing all the time. Bell Canada told us the other day that, in July and August, we are in such great demand we cannot handle even half the calls we get in regard to access to the system. We do routeing at all our travel information centres. If people come into the province and pick up a map, we will route

them through the province to wherever they choose to go. However, we tell people by telephone that they can call the American Automobile Association or one of the automobile associations and it will do that for them. We help them in general and we are the largest distributor of Ontario provincial road maps.

Mr. Grande: I do not have any further questions. All I want to say to the minister is that, while he was commenting, he said planning degenerates into work. I would amend that and say planning blossoms into work.

Ms. Bryden: I want to discuss the Justine Blainey case, although I know it is before the courts. What I am discussing has nothing to do with the court case. It relates to an exchange of correspondence between you and myself last summer; my letter of August 26, 1985, and your reply of September 4, 1985. I must say your ministry was very prompt in replying.

Mr. Rowe: It was in the accord.

The Vice-Chairman: But you are not happy with the answer.

Mr. Rowe: It was in the accord. Any letter that is not answered in five days would break the accord.

Ms. Bryden: I want to discuss further an initiative the minister might consider. I mentioned in my letter that Justine Blainey is a constituent of mine. She is a very talented hockey player and has been barred from playing for the Toronto Olympics solely because she is a girl. The Ontario Hockey Association has a rule that a team with girl players cannot compete in the Metropolitan Toronto Hockey League. Justine had been chosen by the Olympics from 63 applicants as one of their 14 team members selected for 1985-86 and had been practising with them all summer. This indicates she is a qualified hockey player.

However, in the light of the announcement last summer by the Attorney General (Mr. Scott) that he intends to repeal subsection 19(2) of the Ontario Human Rights Code which permits discrimination by sports organizations, I wrote to the minister suggesting he might use his good offices to persuade the Ontario Hockey Association to relax this rule in this case only, as it would be outlawed as soon as subsection 19(2) was repealed. If the minister had succeeded in persuading it, Justine Blainey would have been able to play this year and not face a further year of discrimination and frustration of her desire to develop hockey skills at the highest level for which she is qualified.

The minister declined to intervene on the grounds that the case was before the courts, which I agree was a correct position if we were talking about the court appeal, but the repeal of subsection 19(2) was promised by the Attorney General of your government.

However, as you and I know, both legislative action and court cases take a long time, especially if appeals arise. To that end, I thought the minister would persuade the sports association to make an exception to what would seem an unusual and disturbing case until the law is clarified.

The minister is also aware that even if a repeal of subsection 19(2) became effective during this session or was struck down after it has gone to Supreme Court, Justine still has to go through the lengthy process of making a complaint under the Ontario Human Rights Code and likely will not be able to play this year, even if her complaint ultimately is found justified.

I suggest the minister reconsider talking informally to the Ontario Hockey Association about considering this a special case. It would be a signal to all sports associations that he believes there should be a change in attitude within the sports world regarding sex discrimination or any kind of discrimination in sports activities.

I agree heartily with the last paragraph of the minister—and this is where we have a common meeting ground—that there is a great need for raising the level of sports activities available to women through women's teams. I think the majority of women prefer to play on all-women teams, but we should allow for the exceptional person who wants to play on a men's team and has been accepted by it. I think we are the only province that has discrimination in the sports section of the Ontario Human Rights Code. It gives us a bad reputation for authorizing discrimination.

Perhaps the minister could also tell me more about plans to improve the amount of money that goes to women's teams, the calibre of the coaches they are able to develop with the funds and resources at their disposal and the time available to them in sports arenas. In all these respects; money, space, time on ice, and others, women are badly discriminated against.

11:30 a.m.

Hon. Mr. Eakins: I can respond to part of that and I would ask Joe Halstead to answer the other part of that. He can talk about some of the involvement of the ministry, if that is all right, and you can ask him some questions.

Our position was made clear, along with that of the Attorney General, in supporting the repeal of subsection 19(2). It is my understanding that we are possibly the only province to put in that section.

Ms. Bryden: That is correct.

Hon. Mr. Eakins: It is still before the court at present.

Ms. Bryden: The problem of discrimination is before the court, not necessarily subsection 19(2). Subsection 19(2) is now in the committee stage in the House.

Hon. Mr. Eakins: There is a division of thinking in this regard, even among women's groups. We have felt this could very well be in violation of the Charter of Rights.

Ms. Bryden: I agree.

Hon. Mr. Eakins: As I mentioned in the House and in my letter to you, we support the repeal of that subsection. I have met with various people in this regard and I will be supporting the position of the Attorney General.

With regard to other questions of women in sport, Mr. Halstead is here.

The Vice-Chairman: Just one moment. That comes up in about the fourth vote, recreation, sports and fitness. It does not come under general administration. I might add that the comments from Mr. Rowe speaking on behalf of Mr. Hennessy, had a particular topic in that area that may have different viewpoints on it. The time to discuss it might be when Mr. Hennessy is here.

Hon. Mr. Eakins: I was simply asking Mr. Halstead to answer Ms. Bryden's question. If you want to defer it, that is all right.

The Vice-Chairman: We will be dealing with it.

Ms. Bryden: If we could have Mr. Halstead tell us what initiatives are mentioned in the minister's letter and what is being done on that, then we can come back to the whole question of support for women's activities when Mr. Hennessy is here.

The Vice-Chairman: All right. We will just answer your question on that then.

Mr. Halstead: The ministry has two major thrusts with respect to supporting and encouraging women's participation in sports development. The first is through the sports associations. We have an ongoing special initiative support of about \$50,000 that goes to about 10 sports associations which have identified areas where they feel they can launch special programs for women.

One initiative we have undertaken is for leadership training in soccer where we want to have more women as officials in that sport. There are not many women officials now. We have given a grant to the Ontario Soccer Association to carry that out. We expect that in the next two or three years, there will be sufficient women officials available to that association to participate in games irrespective of sex, whether for males, females or integrated games.

Another initiative is through the best ever Ontario program, which is primarily geared towards high-performance development. Through that initiative, we have put aside \$100,000 to be used to promote women in sport. There are two elements there:

First, we have developed a bank of role models, where we have hired two high-profile female athletes to go through communities and espouse the virtues of women's participation, getting girls to become more motivated. In the school system, they talk to the need for more participation by girls.

We have much hope for that program because we think that if we can sensitize young girls very early in their careers to participate, to get involved, they will get involved and later on, the dropoff rate will not be as high as it is today.

A second element of that is to launch a TV/radio public relations campaign where we again go after community involvement and suggest there is a need for girls to get involved and attack the problem through the broad community thrust as opposed to an institutionalized approach. We feel those three initiatives will stimulate interest, raise consciousness and create awareness of the issue.

Ms. Bryden: That sounds very encouraging because a lot of it is directed to changing attitudes. I am sure the minister also feels that is an important factor. I just hope you will match with money the initiatives to have equal opportunity in sports, your goal, whether it is in separate or equal facilities or by permitting the unusually talented person to join a men's team. I hope when we get to the details of the estimates we will look at the funds provided for this kind of activity as well.

Mr. Rowe: I do not want to eat up much more time because like you, I would like to get into the meat of the actual administration and ask some questions, but I would make a few short comments. For the minister's information, the article about the two per cent room tax appeared in the Toronto Star, on about January 30, if you want to have a look at it.

Hon. Mr. Eakins: I have not seen it.

Mr. Rowe: It was the proposal about legislation which would permit a two per cent levy on room tax.

I might add I am happy, and I am sure the minister's friends in Haliburton will be happy, to hear he does not concur with the two per cent increase on tax and room tax right across the province. I can assure him that will go over big at home, as I am sure he is also aware, as it would with the hotel and motel people in my riding of Simcoe Centre, not to mention Hastings-Peterborough.

I find this discussion between Mr. Grande and the minister on gasoline prices almost humorous. The minister addresses the fact there is no more ad valorem tax and what a great boost it has been to the province. I find it amusing to see that both members voted against our amendment which suggested the price of tax that the province charges be adjusted according to world price. In other words, if the world price came down, the tax in the province would also come down; therefore, there would be lower gas prices charged at the pumps.

It is rather humorous to see my two colleagues arguing back and forth, suggesting ways they might help tourism in the province by getting the price of gas down when they both voted against the amendment that would today see the reduction of gas at the pumps. However, we could get gas over this subject if we continue to talk about it so we should possibly drop it now.

To the minister on the subject of citizenship and culture, I know a lot of people in the tourism industry find it interesting and are wondering whether there is going to be any move by the ministry in that direction. You were on the Liberal task force of 1977-1980. I assume you were one of the key members in that task force. I note with interest that one of the recommendations of that task force was that tourism should be aligned with culture and recreation to give it a higher profile. I find it interesting there is no intention, or maybe there is intention on behalf of the minister, to do that.

I would like to ask some questions of the deputy minister.

The Vice-Chairman: Of course you will do it through the chairman.

11:40 a.m.

Mr. Rowe: Through the chairman, respectfully I do that. Has the deputy minister had any discussions with the Deputy Minister of Citizenship and Culture with respect to portions of each ministry; how they might be combined? How

might you combine your marketing budget to the benefit of culture and artistic communities in the tourism industry? Has there been any such discussion with the deputy minister?

Mr. Keenan: Yes, the Deputy Minister of Citizenship and Culture and I have talked about it within the context Ms. McCall raised earlier. That is, how can we take the best marketing advantage of the cultural resources of the province?

The Ministry of Tourism and Recreation has a marketing branch, a well-staffed branch of highly professional people, as Ms. McCall indicated this morning. In discussions with the Deputy Minister of Citizenship and Culture, I suggested to him that we explore ways by which we may be of assistance to that ministry in terms of achieving its objectives. The minister indicated earlier that he and the Minister of Citizenship and Culture have had similar views.

In other words, we have a very valuable marketing resource there. The cultural facilities are part of the tourism plant as well as being part of the cultural system of the province. We know they attract a lot of tourists now and we also know they have the potential to attract more tourists. It makes good sense for us to co-operate in seeing that happens.

That does not involve any organizational, functional changes of responsibility for carrying out the functions of either the Ministry of Tourism and Recreation or the Ministry of Citizenship and Culture.

Hon. Mr. Eakins: I wonder if I might just add a comment. The member's question about the relationship of tourism and culture is a good one. I have already stated to Mr. Grande that there is a close relationship there. It was quite valid for the member to quote from the task force of a few years ago. At that time, we were pointing out, again, the close relationship of culture and tourism.

We were doing everything possible to encourage the government of the day to give tourism a higher profile because it was under the Ministry of Industry and Tourism. As a critic, I recall members of all parties would want to talk about industry and we would have to fight very hard just to get a couple of hours to discuss tourism. What we were endeavouring to do at that time was to get tourism away from industry and give it a higher profile for itself.

The present Leader of the Opposition (Mr. Grossman), your leader now, was the minister at that time. He opposed a separate ministry for tourism. If you check the record, you will find

that is true. The important thing is that we now have a ministry that gives a higher profile to tourism and is combined with recreation. That has been an excellent move. I fully supported the government at that time. I applauded them for it.

I point out that there is still a close relationship with culture. It is important that we keep the lines of communication open with that ministry, as the deputy minister has alluded to, and we will continue to do that.

The Vice-Chairman: Any further questions? Supplementary?

Mr. Sheppard: Could I just—

The Vice-Chairman: You do have a question but not a supplementary. You asked your supplementary so it is another question, go ahead.

Mr. Sheppard: It may be a comment. It ties in with the Ministry of Natural Resources. It is in regard to Tower Manor Lodge, between Bewdley and Gores Landing, which changed hands in June and carried on with its fishing licence. When it applied for one this fall, it was turned down. There is no lodge on either side of it that sells fishing licences. I want to bring it to your attention so that you can bring it to the attention of the Minister of Natural Resources.

To my knowledge, when the Progressive Conservative government was in power, anybody who asked for a fishing licence, got one. I suggest you recommend to your fellow minister that they get this fishing licence to help promote tourism in the great riding of Northumberland. It butts on to your riding. It is very important that this carries on through the new government as well as the previous government.

Hon. Mr. Eakins: I do not know the circumstance, but I would like to find out why it was not renewed.

Mr. Sheppard: It was not renewed. It had a change of ownership. They had a licence since 1972. It changed hands June 14, 1985. They carried on with the previous licence. When every fishing licence issuer has to apply in the fall, they were turned down. Neither lodge on either side sells licences. I think it is a step in the wrong direction.

Hon. Mr. Eakins: As I understand it, the recommendation is usually made through the district office. I do not know why that would not be recommended but I am willing to find out why it was not renewed or why someone close at hand is not in a position to sell licences. We have to accommodate the people; they should not have to go some distance.

Mr. Sheppard: To bring the minister up to date, I checked it. Everything was approved until it got to the minister's desk.

The Vice-Chairman: I will give you the letter I sent to the minister and it did not take long to get a licence. First I sent one to Mr. Shulman at his paper.

Mr. Rowe: You must belong to the wrong party.

Mr. Sheppard: I know that was cut from this ministry, but they tie in together, and I think it is important.

The Vice-Chairman: I enclosed Mr. Shulman's comments from the Toronto Sun as he drove home a good point. It was not long before the licence was issued.

Mr. Sheppard: Would you mind sending that to me?

The Vice-Chairman: If I can dig it out, I will.

Hon. Mr. Eakins: I will get the answer for the member. Sometimes there are circumstances of which we are not aware. What they are I do not know, but I will find out.

Mr. Sheppard: Fine. Thank you.

Mr. McGuigan: I want to make a comment which leads up to a question. This past summer I travelled to a number of American cities in the east, the south and the Pacific northwest. I was always comparing them to Toronto, keeping in mind that Toronto is the leading tourist attraction in Ontario, in spite of what we think of Niagara Falls and our great north.

I noticed a couple of things. Pedestrians in American cities pay virtually no attention to traffic lights. Walking along the streets, you are isolated if you wait for the traffic light to change. I thought there was something wrong with me. What is it they say about Toronto? It is the only place in the world where people will stand and wait for the light to change at two o'clock in the morning when there is no traffic. American pedestrians pay little attention. But drivers pay attention to the caution lights; they speed up.

The Vice-Chairman: It sounds like Montreal.

Mr. Rowe: You should drive in Mexico.

Mr. McGuigan: Generally speaking, streets are cleaner in Toronto than in the US. I do not want to condemn all US cities, but I did make these comparisons.

Coming back to the question of gasoline prices, if we followed world prices and lowered our taxes on gasoline, what effects would it have on congestion in the city? Would we abandon having two or three people in one car and our van

pools? Would we bring back larger cars? Would we abandon the subway and go more towards auto traffic, which creates some of the more congested situations we find in American cities? Would this influence the attractiveness this city has for tourists? Has the government considered these matters in relation to gasoline taxes?

11:50 a.m.

Hon. Mr. Eakins: I cannot say I have an answer at this time. We are taking a look at the whole issue of traffic and visitation. I cannot say I have an answer to that specifically, but you have made some good comments. We may have something further to offer you in our discussions.

The Vice-Chairman: I think Mr. Pollock is next, unless you have a supplementary, Mr. Rowe. Are you through, Mr. McGuigan?

Mr. Grande: Did you say lowering gasoline prices would lead to chaos? Is that the gist of it?

Mr. McGuigan: I did not say it would lead to chaos, but it would have an impact on the total environment. If you increase the traffic on the streets, will Toronto be as attractive a city to visit as it currently is?

Mr. Grande: I understand the environmental reference, but I hope they are not keeping gas prices high for that.

Mr. McGuigan: We have to raise the money somewhere; everyone knows that. What better way is there? Recognizing it puts a burden on drivers, the tax would have to be shifted to some other item which would also burden them.

Hon. Mr. Eakins: The question of taxation is one about which I have been concerned and still am. In a short time, we are going to have input. We have already been making input into it, whether to the Treasurer (Mr. Nixon) or whomever. I can assure you there will be a great deal of interministerial co-operation and exchange of views in this regard.

Mr. Pollock: You mentioned your ministry works in conjunction with the Ministry of Citizenship and Culture. I hope you are also connected with the Ministry of Natural Resources.

Hon. Mr. Eakins: Yes.

Mr. Pollock: In Hastings county there is the abandoned railroad line running from Marmora to Lake St. Peter. There have been various groups, namely the Hastings county council, snowmobile clubs and local municipalities, which wanted that railroad line taken over by the Ministry of Natural Resources as a recreation trail.

Your ministry is involved with recreation. It would be a real plus to have that. I am sure snowmobilers would use it, as well as the three-wheeler people. It would be a real plus for the recreation people and the tourist industry in that area. Do you have any comments on that?

Hon. Mr. Eakins: I fully agree with your comment. A couple of years ago the government asked the Ministry of Natural Resources to see if the government had an interest in these abandoned lines. There is one with which I am very familiar, the Lindsay to Haliburton CN line. The ministry has since reported it does not have an interest in it.

In other words, there is a lot of consideration to be taken in regard to this. However, I personally do not want to see the issue die. I want to do some more work on it, not only from the standpoint of the one that goes almost the full length of my riding, or a large part of it, but also, as you mentioned, there is one in your riding and there is one in the Georgian lake lands. Across the province, there are a number of abandoned lines.

I guess CN and the federal government want some input about the future of them. Personally, I feel we have to take another hard look at the recreational potential, because once these go back even to the small municipalities the lines will be lost for ever. If they go back to the abutting owners, they will also be lost for ever.

I do not have an answer now but I can assure you my interest is there. I want to look into it further to see if there is some way we can save them before they are lost for ever. There are many purposes: cycling, winter sports, hiking, walking or whatever. I would like an opportunity to respond later. I would like to look into it further. You have raised an important issue. There is a lot of potential in it.

Mr. Pollock: I believe you were at one meeting where a snowmobile club was making an appeal to the minister of the day for this abandoned railroad right of way. It would be a real plus for the people in the area. In your area and mine they are not on prime farm land. In fact, it is the reverse; they are on reasonably trashy land that is of not use for practically anything else.

Hon. Mr. Eakins: I could not agree with you more. I can assure you I am personally interested and will carry this further. It is an area where we have to bring together for discussion some of the county or municipal people, along with whatever ministries would be appropriate.

Mr. Pollock: Once again, we get into the field of liability in regard to these abandoned railroad

lines. Once they are taken over as recreation trails, people expect them to be kept up as such. At present, people are using them but they are abandoned railroad lines. Therefore, if anybody gets hurt, he is trespassing and there is no liability now. However, if you took them over as recreation trails, it would be a whole new ball game.

Mr. Sheppard: What ministry is responsible for keeping these trails up? I believe I asked you a question the other day in regard to my riding. Following up on Mr. Pollock's question, who is responsible for keeping these trails up and what ministry gives grants to the local associations for keeping these trails open, brushed and signed?

Hon. Mr. Eakins: I understand the Ministry of Natural Resources is the lead ministry in this. There is a lot of local organizational input.

Mr. Sheppard: Does the Ministry of Transportation and Communications get involved in this? Is it responsible for the upkeep of these roads? I believe I sent you a letter the other day and you sent me a letter back saying MTC was responsible.

Hon. Mr. Eakins: It depends on the location. Are you speaking of the trails or the roads?

Mr. Sheppard: I mean all the trails.

Hon. Mr. Eakins: I would have to review that. I will get back to you on it. Did I say MTC?

Mr. Sheppard: Yes.

Hon. Mr. Eakins: I do not see why it would be MTC unless I had something else in mind.

Mr. Rowe: Maybe it is the Ministry of Tourism and Recreation.

Mr. Sheppard: It was about the upkeep of the trails in Northumberland riding in regard to the Northumberland forests.

Hon. Mr. Eakins: I will doublecheck that for you.

Mr. Sheppard: I wish you would.

Mr. Pollock: To clarify that, I believe when the CNR abandoned these railroad lines, it first gave the federal government the chance to take them over. Then the province had a chance. I think the lead ministry to take them over at that time was the Ministry of Transportation and Communications. Needless to say, if it does not want them, it is passed down the line to the Ministry of Natural Resources.

Hon. Mr. Eakins: Are you speaking of the abandoned lines?

Mr. Pollock: Yes, the abandoned railroad lines.

Hon. Mr. Eakins: I understand the previous government asked the Ministry of Natural Resources to do a study on that.

Mr. Pollock: However, the lead ministry was the Ministry of Transportation and Communications. I believe it had the first chance.

Hon. Mr. Eakins: I am sorry. I was thinking of something else when I answered that.

Mr. McGuigan: What would be the requirements for fencing on those lines? Would they require fencing?

12 noon

Mr. Pollock: That is it. They told me there was an agreement between the Ministry of Natural Resources and the land owners that the ministry would fence its half providing the abutting land owner would fence his half first. Otherwise it would be a case of wanting the government to fence and then the abutting land owner not taking any action to fence it himself. That is what they agreed on when they were going to take over some of these railroad lines in areas where there is agriculture. However, there is very little agriculture along that Marmora-Lake St. Peter railroad line. There is agriculture in only two townships and the line goes through about six or seven.

Hon. Mr. Eakins: The deputy minister might want to comment on that.

Mr. Keenan: The Line Fences Act applies to trails and the responsibility of adjacent owners. You say this is not great agricultural land, but I know from dealing with the same issue when I was with the Ministry of Natural Resources a while back, from the standpoint of managing those routes where there is agricultural land, the issue of weed control is a fairly expensive proposition that is of concern. However, as you say, there is not a lot of agricultural land on that route.

Mr. Pollock: No, there would not be too much in jobs there either.

Mr. McLean: Since the announcement of the Ministry of Natural Resources the other day, I have had a lot of phone calls with regard to the licensing. I remember back about 15 years ago when we had them on before, the recreational people and the tourists were up in arms with regard to the licensing.

In your negotiations with Minister of Natural Resources, I hope you will consider the ice fishing we have on Lake Simcoe. It is a very big tourist attraction. Sometimes people come for only one day. I do not know how your ministry is

going to handle it, but I hope you will try to excuse the licence away for these people who want to go fishing for one day only.

I know there is going to be an awful lot of pressure and I have had some already. When we had it before, it was a disaster. I hope your ministry would not want to be part of it again, especially for the people who come here from the US to fish for a weekend. I know it is good revenue, but we get good revenue from the sales tax and the money they spend. I do not know what position you will take on it, but I hope you will do something.

Hon. Mr. Eakins: There is a nonresident fishing license at present.

Mr. McGuigan: They are liable already.

Mr. McLean: I know.

Hon. Mr. Eakins: There has been a lot of discussion in the past. As critic, I put on record to the previous Minister of Natural Resources that I would support a resident fishing licence provided the majority of the funding went into improving sport fishing and associated things. We do pay to go hunting and to do other things, and it is my understanding that we are perhaps the only one, or one of the very few jurisdictions, that does not have a resident licence.

I am sure there will be lots of opportunity for input, but we do want to improve the opportunities. It is an excellent resource. I received lots of calls, even in my other position in the opposition, with regard to improving the opportunities. There is a nonresident licence in effect for visitors at present, but I will take any comment that my colleagues here offer and make sure there is input to my colleague ministers on it.

Before we proceed, I believe the member for Northumberland (Mr. Sheppard) referred to Tower Manor Lodge.

Mr. Sheppard: Tower Manor Lodge, yes.

Hon. Mr. Eakins: The application got to the minister's desk and that was it. I want to assure you that the application was approved a week ago, so there was good service when it got to the minister's desk. I want to tell you this is one of the quick services MTR gives.

Mr. Rowe: Has it left the minister's desk yet?

Hon. Mr. Eakins: The service is so good, the local member does not know yet.

The Vice-Chairman: If it is anything like the mail we have been getting the past four or five years from any ministry, it takes about 10 days to move from over there to you.

Mr. Sheppard: It has not changed.

Hon. Mr. Eakins: I used to complain to Mr. Snow that it took 10 days to come across the street.

Mr. Rowe: I have some questions with respect to the \$50,100 increase in the main office. The notes on page 13 explain that as, "Net increase due to salaries and wages revisions." I would be interested to know not only the number of full-time employees but also the number of any part-time employees, contract or otherwise, assigned to the main office. I would like to know generally from the minister what they do and the salary levels they are being paid. Also, is there a difference in salary levels between the executive assistant to the minister and the executive assistant to the previous minister?

On page 14 of the estimates, I notice services have decreased by about \$50,000. I would like to know what services are referred to and why they have been reduced. If it is a matter of sharp-pencil mathematics by the minister and his staff, I commend them.

Hon. Mr. Eakins: I am going to ask some of my staff to assist me on some of the figures. As for the number of my personal staff, it is the same as for the previous minister.

Mr. Rowe: On page 15, planning and administrative services shows a decrease of \$4,500 from the 1984-85 estimates. However, between last year's actual expenditures and this year's estimates we see an increase of about \$56,500. Although we must commend the ministry for a decrease in moneys allocated to planning and administrative services, I am wondering what went on to cause a \$56,000 increase between the actual of last year and estimates of this year.

Mr. McLean: Perhaps he is taking his critics to Expo.

Mr. Rowe: Maybe that is what it is. I do not know. If it is, I am unaware of it. Maybe my colleague the member for Simcoe East (Mr. McLean) got my mail.

On page 16, salaries and wages, there is an increase in estimates of approximately \$22,600. I would like to know the number of bodies to which the \$22,600 for salaries and wages, as well as the \$2,900 for employee benefits, went.

Services, also on page 16, are once again reduced by \$30,000. I am interested in what these services would be and why they would be reduced by that amount. Under transportation and communications, I notice it is flat-lined at \$37,000, the same as last year. Who participates in transportation and communications? What

kinds of things are these moneys spent on? Where do they go?

Pages 17 and 18 deal with information services. I understand—and correct me if I am wrong—this section reports to the deputy minister and then directly to the minister.

Mr. Keenan: Yes.

Mr. Rowe: I would like to know how much of the \$932,000, if any, is used on writing speeches for the minister, if that comes under this section.

Also under information services on page 18, salaries and wages have been reduced. It says on page 17, "Net decrease due to reallocation of resources to other areas of the ministry reduced by increases for salary and wage revisions." I am interested in the reallocation of these resources to other areas of the ministry.

Mr. Sheppard: Supplementary. I ask Mr. Rowe to ask about transportation and communication on page 18, where the estimates are \$75,000 for this year and only \$8,000 for last year?

12:10 p.m.

Mr. Rowe: That is an interesting increase. To be exact, it is an increase of \$67,000. I wonder what caused the increase and what this money is to be spent on.

On that same page, once again services have gone down by roughly \$111,300. I commend the minister, the deputy minister and the rest if they were able to pare that out of the ministry. That is great. I am just wondering what the services were and how they were reduced; how they managed to pull that kind of money out.

It is an interesting page we are on, because supplies and equipment increased from \$16,000 to \$50,300, which is roughly a \$36,300 increase.

Mr. Sheppard: Maybe that is new office furniture.

Mr. Rowe: It might be. I do not know. Why and on what will we spend \$50,300 on supplies and equipment? Are there any services to the minister in that section? Does this department supply anything there?

I noticed strategic planning in the report. I ask the deputy minister, is this a new department? If it is—and I take it by the deputy minister's acknowledgement it is—I would like to know who makes up this group in the ministry and whether they came from the ministry or were transferred or how they are made up and who they are. Were there appropriate competitions held for these positions if it is a new section?

The only other thing I want to ask about is the Trillium Foundation. I believe it is dealt with in

this section. Although it is just a flat line—I understand a \$15-million in-and-out transfer from the ministry—I would like to take a minute and say the chairman of the board and the director of the Trillium Foundation, in my opinion, have done an excellent job fulfilling a real need that is definitely out there. I understand this body does a lot of forecasting three and four years down the road. To ensure it continues its work, at this stage of the game it is probably going to need assurance soon that its present level of support is going to continue in future years, assuming the present situation here at the Legislative Assembly continues for a year or so; we will not say assuming the worst happens.

I am wondering what commitments the minister is prepared to make now for the future years of this foundation in view of the fact it has to deal so many years down the road with the commitments it has to make. I am also interested to know when the agreement runs out, in 1987 or 1988 or whenever it is. If it runs out in 1988 or 1987, obviously they are going to have to plan now for three years down the road in funding commitments. I am wondering what kind of commitments the minister might make on the Trillium Foundation while we are dealing with this section.

Hon. Mr. Eakins: I will mention the Trillium Foundation first. Then I am going to ask my staff for some of the many figures under administration about which you have asked.

I agree with your comments on the Trillium Foundation. I have met with its officials. They are performing an excellent job and a good function. They are providing services to many agencies that would not otherwise be able to receive support. I strongly support the continuation of the Trillium Foundation. Its present term expires in 1987 and we are dealing with that at present. I am strongly supportive of the foundation. We will do everything we can to make sure it continues. I am sure it will.

I might take a moment and point out that the people who serve on that are volunteers. They are not paid. Of the total Trillium Foundation group, there are only four paid employees and I think the total administrative costs of the Trillium Foundation are something like 1.5 per cent. The people who serve on that board must give so many hours per week or month or days per month to that foundation. It is a well-administered body and it has my full support to carry on. I can assure you that would be my recommendation.

I am glad you mentioned it. Sometimes the Trillium Foundation does not get the prominence

and profile it deserves. It is doing an excellent job. Otherwise, we would have a lot of groups and organizations looking for assistance and they would not be funded in the way they are. The Trillium Foundation is an interesting story. I would recommend all members to take a look at what it is doing and lend support.

I am going to ask the deputy to respond on the other items.

The Vice-Chairman: The member asked about three other questions there.

Hon. Mr. Eakins: Yes, there were several there.

Mr. Keenan: I will try to tackle some of these. If we miss any, we will come with the information next time.

Mr. Rowe asked about the strategic policy branch. That new branch was established in the ministry this year. It was basically an area of ministry activity that was recognized as not being carried forward as well as we would have liked it to have been.

The core resources for that branch were acquired through the transfer of two people from the provincial secretariat for justice: branch director Ruth Cornish and one other support staff person from the justice policy field area. The third person was Pat Taylor, who was transferred from the provincial secretariat for resources development.

In doing away with the large policy field secretariats, every effort was made to relocate people in other parts of the government. This opportunity was seized upon by this ministry to establish the core for that group.

Mr. Rowe asked a number of questions concerning differences in money. Generally, the differences often reflect a reparcelling of money between years, in the sense that we may often find that a particular expenditure area has been improperly located in a line item that is changed from one year to the next. In effect, in most of those cases where you see the small numbers, they probably represent that kind of an adjustment.

In one year, for instance, the money may have been intended to buy some equipment such as word processors in an information branch. Next year, those funds might well flow to other purposes and therefore would be placed in another line.

The member asked about money for the minister's speechwriting. The communications branch prepares most of the speeches the minister gives to client groups of the ministry. The numbers you are looking at were in the estimates

approved by Management Board of Cabinet back in February or March. There have been no changes to those numbers during the subsequent period.

I could not really say what proportion. If you wished us to do it, we could try to arrive at a proportion of time that is spent in speechwriting. I do not have that number at hand.

What have I missed?

12:20 p.m.

Mr. Rowe: The difference in salary levels between the minister's executive assistant and the former minister's executive assistant.

Mr. Keenan: Is that the specific salary level of those two positions?

Mr. Rowe: Yes.

Mr. Keenan: I am sorry, I do not have that information.

Mr. Rowe: Can you get it?

Mr. Keenan: Yes, we can get that information.

Hon. Mr. Eakins: I can assure you there is a salary range and it is not at maximum.

Mr. Rowe: On page 14, under ministry administration program, we notice a decrease of some \$50,000 for services. Perhaps the deputy minister can bring me up to date on what services these would be.

Mr. Keenan: Again, my understanding is that this represents a realignment. If you look below under "Transfer Payments: Miscellaneous Non-statutory Grants," \$50,000 is listed. Nonstatutory grants represent a contingency against requests made on the ministry from time to time to provide assistance not provided for by statute. They might be small sums of money to support an organization in carrying out an activity or a function. If it were viewed as being beneficial to the ministry on either the tourism or the recreation side, this grant could be drawn upon.

Mr. Rowe: Can we deal with the transportation and communication item on page 18 of the estimates, which my colleague was interested in also? What specifically is the \$75,000 spent on, and why is there an increase of \$67,000 over last year's estimates?

Mr. Keenan: There again I am told it represents a realignment. If you look in the next line you will find a significant decrease. The general item of communications covers the cost of telephones, travel and those types of things. I can ask the director of communications if you would like more specific information on that. Again, that falls into what not uncommonly

happens: a year-to-year adjustment of numbers from one line to the other depending on the particular anticipated need for that funding during the year.

Mr. Rowe: Under this particular department what services would go directly to the operation of the minister on a day-to-day or week-to-week basis? Would anything out of here be used as part of the minister's services, or are these all strictly internal or in the building?

Mr. Keenan: The communications branch supports the ministry at large. Obviously, a lot of the work carried out by this branch involves preparation of news releases and statements for the House and, as indicated earlier, the drafting of speeches for the minister. It also produces our in-house newsletter and the annual report. It serves a wide variety of communication needs both for the ministry as a whole and in support of the minister.

Mr. Rowe: Thank you. I have a handle on some of these intermovements of transfers of amounts of money, but I find with interest that supplies and equipment has gone from \$16,000 in estimates to \$50,300.

The Vice-Chairman: That sounds like the members' offices.

Mr. Rowe: Either we lost a lot of pencils, pens and paper or else the minister is doing an excellent job writing an awful lot of letters that we had not anticipated he would be writing to people in the field these days.

The Vice-Chairman: He is very active. He is out promoting tourism.

Mr. Rowe: I would never for a moment question the activities of the minister. He is a very active man. I have even noticed him jumping up and down in his seat in the House.

I am interested in the \$36,300 increase. Surely we would know what we are spending on supplies and equipment from year to year. Did the minister buy a new photocopy machine so his picture on the glossy covers would be improved, if that is at all possible? I highly doubt it; he is such a good-looking chap now. I just wondered what that was used for.

Hon. Mr. Eakins: Someone mentioned furniture before. The only change there has been in my office has been a wall unit. It was in there but, however the arrangement was, it went to another office so it was necessary to replace it.

Other than that there has been no change in my office whatsoever as far as furniture is concerned. It is very comfortable, I am enjoying it

and I expect no changes whatsoever. Other than the wall unit there has been no change in there.

Mr. Rowe: I will ask the deputy, then. The minister has not enjoyed some of the comforts of the \$36,000 increase. What have we done to increase our spending to that extent?

Mr. Keenan: I assure you that none of it showed up in my office, either.

Mr. Rowe: We are now getting down with the number of offices. I hope we will find an office where we can find this \$36,300.

The Vice-Chairman: When we get into vote 2902, if we ever get into that area, there is a substantial increase of millions of dollars there and we will be running out of time.

Mr. Keenan: Perhaps I can comment. We acquired some word processing equipment in this area this year. That, frankly, is equipment that most ministries would have had long ago and is intended to increase the productivity of that operation.

To go back to the issue of the distribution of money between lines, you will find that the sum of the transportation and communication services and supplies and equipment, year over year, is almost the same within about \$10,000. One is \$435,000 and the other is \$425,000. This is not accidental. It basically represents a flat-lining of budget in that area but a redistribution of the objects of expenditure for the particular years.

The Vice-Chairman: I wish to bring to the attention of the committee members that it is 12:30 now and we have not gone into vote 2904 on sports and recreation. We thought we might get into that some time this morning. Is it the wish of the committee that the first vote shall

carry? We have had some debate on this in two sittings now.

Vote 2901 agreed to.

The Vice-Chairman: Now, to deal with the area of sports and recreation, which will be deferred, they have a conference or meeting next week on February 6, so we will have to postpone that until February 13. This is what the committee had suggested.

Mr. Sheppard: I would like to ask a question of the minister. I would like to know whether his ministry is giving any assistance to municipalities that are asking for some extra money to develop and open up the roads so they can promote tourism more in the winter.

I was talking to Mr. Brock and I said I would get a letter from the reeve of the municipality I am referring to and bring it in to him. In the meantime I just wanted to get that on the agenda so you could look into it to see whether there is any money available.

Hon. Mr. Eakins: As long as we have a proposal to look at. I do not know what you have in mind, but if you have a proposal from any municipality, we will look at the content to see whether it fits into a program. I cannot say offhand just what you are referring to, but we will look at any proposal that comes in to see whether it is eligible and whether it fits into any criteria.

Mr. Sheppard: Fine. Thank you.

The Vice-Chairman: May I have a consensus of the committee that sports and recreation will be laid over until February 13? Everybody agreed? Okay. Meeting adjourned.

The committee adjourned at 12:32 p.m.

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Grande, T. (Oakwood NDP)
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From the Ministry of Tourism and Recreation:

Halstead, J. A., Director, Sports and Fitness Branch
Keenan, J. W., Deputy Minister
McCall, A., Director, Tourism Marketing Branch



No. T-3

Hansard

Official Report of Debates

Legislative Assembly of Ontario



Standing Committee on Regulations and Private Bills
Estimates, Ministry of Tourism and Recreation

First Session, 33rd Parliament
Thursday, February 6, 1986

Speaker: Honourable H. A. Edighoffer
Clerk of the House: R. G. Lewis, QC

Published by the Legislative Assembly of Ontario
Editor of Debates: Peter Brannan

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON REGULATIONS AND PRIVATE BILLS

Thursday, February 6, 1986

The committee met at 10:08 a.m. in committee room 1.

MINISTRY OF TOURISM AND RECREATION (continued)

The Vice-Chairman: Committee members, I see a quorum.

Before I proceed this morning with the different votes, I want some guidance from the committee members in regard to vote 2902, the tourism development program. It has been suggested to me by the ministry and staff that they would like to proceed with that vote from 10 a.m. until 11 a.m., and then switch over to vote 2903, the parks and attractions program, at 11 a.m.

Apparently there are staff coming in from the different boards and commissions who want to appear before the committee this morning. Is that agreeable?

Mr. Rowe: If we can get through it all, it is agreeable.

The Vice-Chairman: I am suggesting we start with vote 2902 and go from 10 a.m. to 11 a.m., then go to vote 2903 at 11 a.m. to hear the chairmen of the different boards and commissions who will appear before the committee. Then we will revert to vote 2902. Is everybody agreeable to that? Agreed.

The minister has a few comments in answer to the 22 questions raised by the members of the Progressive Conservative Party.

Mr. Sheppard: What about the New Democratic Party? Do they not have any questions?

The Vice-Chairman: I think they were answered the other day.

Hon. Mr. Eakins: I want to make a few brief remarks, and I will add to them as we move along. A few concerns were raised, and I want to address some of them, such as the government freeze on advertising. That question was raised. It was initiated for the express purpose of taking stock of all advertising and advertising contracts in place across the government. The government has stated that its policy is to carry on with revenue-producing advertising, and it has done so.

Tourism advertising was the first to be removed from the freeze and the first contract to be awarded under the new open system of tendering. The \$2-million allocation from the Board of Industrial Leadership and Development for tourism advertising was confirmed for this year. I might add that the previous government did not acknowledge significant inflationary pressures on the tourism marketing allocation. Under the new government, funds were made available this year to accommodate the increased costs incurred for advertising in the United States.

With respect to the 1986-87 allocation, we are still going through the normal review process, so we are not in a position to discuss what we will or will not get at this time, although I hope we will know fairly soon. The winter advertising campaign is in place. The draft plan for the spring-summer campaign, which identifies, among other things, the markets to be targeted, will be ready very shortly and well ahead of schedule.

In keeping with our government's commitment to creating a climate of co-operation and consultation, the ministry's advertising agency met with travel associations and Tourism Ontario during the first week of January to review some of their proposals and directions. We feel confident that members of the tourism industry are being kept informed of our activities.

In regard to the insurance review, there is no question that the skyrocketing cost of liability insurance is a major concern to both the tourism and the recreation industries. To that end, I have written to my colleague the Minister of Consumer and Commercial Relations (Mr. Kwinter) outlining concerns that relate to sports, fitness and recreation and requesting that the insurance review task force address them.

To date, my staff has met or communicated with the task force several times to review specific situations where liability insurance is not available or where the cost has risen dramatically. These meetings are ongoing and will be broadened to involve representatives of the client groups. I have directed the Ontario Sport Medicine and Safety Advisory Board to prepare a detailed analysis of the situation as it relates to sport and recreation activities.

My ministry will also be assisting Tourism Ontario's newly formed liability committee to formulate a brief to the provincial task force that will address this important issue.

Let me expand on the information I gave you last week on our committee to review the government's financial assistance programs for the tourism industry. The committee will be made up of civil servants and members of the industry. We are doing this because there has not been such a review in the last four years and it is important that such programs be reviewed to ensure that they meet the current needs of the industry.

In addition, both the tourism redevelopment incentive program, TRIP, and the grading assistance loan program are subject to review at the end of December 1986. As members know, TRIP started in 1979 and provides loan guarantees of up to \$1 million and subsidizes interest rates for both new tourism projects and improvements to existing establishments.

The grading program provides loans to graded properties with revenues of \$1 million or less to help them secure better Tourism Ontario ratings. A review of these and other programs is timely. My first step will be to discuss the matter with the tourism industry and my colleagues. I can assure you that representatives of the industry will be key members of the team.

In regard to the question of angling licences for Ontario residents, recently the Ministry of Natural Resources put forth a proposal to introduce a \$10-a-year angling licence for Ontario residents aged 18 to 64 and a \$5-a-year licence for residents aged 65 and over. The draft proposal was presented to the Legislature on January 28, 1986, and is to be considered only as a starting point for discussion and negotiation.

Public meetings will be held across the province during the next three months to provide an opportunity for public participation and to formulate the final terms of the angling licence. My colleague the Minister of Natural Resources (Mr. Kerrio) stated that the licence must meet the acceptance of the anglers of Ontario.

One condition of the proposal is that most of the revenue generated by the licence fee goes directly to improve Ontario's angling fisheries. Sportsmen's associations have long called for such a licence because they appreciate the importance of increasing our fisheries management budget, and so does this ministry. My ministry supports a resident sport fishing licence. Increased revenues would allow for the expansion of programs to improve sport fishing across

the province. Improved sport fishing can and will result in significant tourism benefits.

A number of questions were raised regarding the parks and attractions within the purview of my ministry. I have invited the representatives of these agencies to be here. I am pleased that at 11 o'clock you will have an opportunity to speak to any of the groups here today.

I want to outline the responsibilities of our ministry for parks and attractions. If you have concerns you want to raise with them, be prepared. They include the Huronia Historical Parks, Old Fort William, Ontario Place Corp., St. Lawrence Parks Commission, Resort Development Minaki, Ottawa Congress Centre, the Metropolitan Toronto Convention Centre and the Ontario Lottery Corp. Those representatives are here or will be here. If there are others, I will point them out to you.

Those are initial remarks. I am willing to proceed.

The Vice-Chairman: Thank you, Minister, for those short comments.

We will deal with vote 2902, tourism development program. I leave it up to the committee members to decide what route they want to take. We have been allowing them to go on the whole vote.

On vote 2902, tourism development program:

Mr. Rowe: Minister, on page 24 of the activity totals, the number of full-time employees is five. Is that up or down from last year?

Hon. Mr. Eakins: I will ask Peter Sharpe, our acting deputy minister and executive coordinator, if he is available. Peter, we need some assistance. The number of full-time employee positions is five. Is that up or down?

Mr. Sharpe: I believe that is up by two people from previous years.

Mr. Rowe: Thank you. Note two on printed estimates on page 24 states, "Transfer of funds from tourism industry development and tourism marketing development activities to program administration." Could you give an explanation of that?

Mr. Sharpe: Yes, the transfers were from the tourism development branch, totalling \$291,300 and the tourism marketing branch, totalling \$678,800. Would you like me to explain what they are related to?

Mr. Rowe: Just generally.

Mr. Sharpe: In the tourism development branch, the total of which is \$291,300, \$235,000 was the transfer payments we make to Tourism Ontario annually. That is comprised of \$60,000

annual grant to assist them with their administration costs and \$175,000 annually to assist with their tourism grading program. The other \$50,000 was an annual grant we make to the Ontario Hostelry Institute. Those are normal annual transfer payments made under tourism development that were moved over under the assistant deputy minister's budget.

10:20 a.m.

On the marketing side, \$638,800 of the \$678,800 related to special projects funding. That is a whole array of special projects, such as funding events, conferences and publications. I can go into those in more detail, if you wish. The other \$20,000 was for Attractions Ontario. We try to assist them in getting their organization off the ground, in much the same way we assist Tourism Ontario.

Mr. Rowe: You might call it seed money, then.

Mr. Sharpe: Yes.

The Vice-Chairman: Does that answer your question?

Mr. Rowe: Thank you. On page 25, salaries and wages are up \$111,500. I am wondering why there was an increase. How many positions, and what positions, made up this \$111,500 increase in salaries and wages?

Mr. Sharpe: Which office is that?

Mr. Rowe: On page 25.

Mr. Sharpe: Unfortunately, my pages are not numbered.

Mr. Rowe: It is program administration, vote 2902-1. The previous estimates amount was \$122,300 and we are now looking at \$233,800.

Mr. Sharpe: That is probably due to the increased personnel in that office in 1985-86.

Mr. Rowe: How many personnel?

Mr. Sharpe: Two.

Mr. Rowe: Are they making \$51,000 or so a year?

Mr. Sharpe: Close to it, with benefits. Salary, wages and benefits.

Mr. Rowe: We must be in the wrong job here, gentlemen. As officials elected to serve the public, I think we would be better working in a secure position.

The Vice-Chairman: I am sure the member is going to find that out, as we have all done in the past.

Mr. Keenan: Could I interject a comment? That number also includes the salary and wage increases for the whole office staff, year over

year; in other words, the salary awards. You really have two things in there: salary awards representing the increase in pay for the people there, plus the additional staff.

Mr. Rowe: Plus two additional people. To the minister, deputy or whomever, what was the need for the two extra people hired? Why two more? Are we experiencing that much more business, or what is happening?

Mr. Sharpe: These people were brought in from other sections of the ministry. One of the special projects they worked on involved the bicentennial, for which we needed extra staff to put forward our ministry's efforts.

The other staff relate mainly to policy work. The ministry has undertaken an advocacy role in the past year and a half to two years as a very high priority. We are finding it a very heavy work load, preparing this ministry's position, to report to other ministries. Economic reports, on taxation and this kind of thing, put forward the industry's views so when decisions are made, the tourist industry is considered.

Mr. Rowe: Had we not been putting forward the industry's views previously? Is this something new we decided to start doing?

Mr. Sharpe: We had been doing it on a very ad hoc basis in the past, mostly at the field level. We tried to start to consolidate that at head office in the assistant deputy minister's specific area. We have gone a step further this year. We are establishing a new strategic policy branch which will have the main role in the whole ministry and will serve the whole ministry.

It is an area of work we are trying to develop in the ministry, because we find our clients are requiring more and more of it all the time. In fact, we have not been in a very good position to be able to deliver it properly. Now we are trying to organize it so we can.

Mr. Rowe: On the same topic, services show an increase of \$653,800, from the 1984-85 estimates figure of \$49,100 to the 1985-86 estimates figure of \$702,900. Could you explain that increase? Is that a transfer of money, or what is it?

Mr. Sharpe: I believe that relates to the transfer of funds we just talked about.

Mr. Rowe: Okay. Tourism industry development has eight full-time positions. Have we added or subtracted any from the previous year?

Mr. Sharpe: No.

Mr. Rowe: Note 3 on page 26 of estimates says there is a decrease of \$2,100,000 from the previous year in funding for the eastern Ontario

subsidiary agreement. Is it the intention of the ministry to pick that up or is the eastern Ontario subsidiary agreement pretty well whipped?

Mr. Sharpe: Yes. The eastern Ontario subsidiary agreement ended in September 1985.

Mr. Rowe: Is it the intention of the present government to reinstate this agreement—

Hon. Mr. Eakins: That is a federal-provincial agreement. This is something that would have to be discussed in co-operation with the federal people.

Mr. Rowe: Is it your intention to consider that discussion?

Hon. Mr. Eakins: We are working very closely with the federal minister on co-operative programs. I already have had initial discussion with him on a number of areas. This is going to be ongoing. It takes time to put these things together. The federal minister and I have had some good conversations on this.

Mr. Rowe: So I take it that it is your intention to press the federal government for either a renewed or new eastern subsidiary agreement.

Hon. Mr. Eakins: We will be working with the federal minister on that and a number of other areas also.

Mr. Pollock: What was involved under that subsidiary agreement?

Hon. Mr. Eakins: Mr. Sharpe, can you give us the background and particulars?

Mr. Sharpe: It was a \$4.2 million program cost-shared 50-50 with the federal government. It funded such projects as feasibility studies, selected capital infrastructure, historical restoration projects and local events that showed a significant tourism development potential.

Priority was given to projects representing \$1 million or more in investment and multiseasonal international standard kinds of facilities. Under the program, there were no upfront grants. Any feasibility studies have to be cost-shared. I have a list of projects approved under the program. It is quite extensive. I will give you some summaries, if you wish.

Mr. Pollock: Yes, would you please, if you have a few of them.

Mr. Sharpe: A total of just over \$4 million was given in the grants. They levered \$17 million from the private sector for their share of the investments.

Mr. Pollock: Just name a few of the top ones.
10:30 a.m.

Hon. Mr. Eakins: In the meantime, I might mention that the program in place at the present

time is the federal-provincial Canada/Ontario planning agreement, a \$44 million program: \$22 million from each level of government. It is a five-year program. It deals with applications specifically for destination attractions and is fairly active with applications at the present time.

Mr. Pollock: That \$44 million would be spread over—

Hon. Mr. Eakins: Five years. Applications are reviewed by a joint committee.

Mr. Rowe: Is that agreement the one that started off years ago at \$200 million?

Hon. Mr. Eakins: No. This is a new one that we started in—

Mr. Rowe: It was signed in 1984. Correct me if I am wrong, and maybe the deputy could help us, but I believe we started negotiating for that with the former federal Liberal government. Was the number not \$200 million when we started out and eventually got whittled down to \$44 million when we signed in 1984?

Mr. Keenan: I believe that is correct. When we first began discussions with the federal government, we were looking at a larger amount of money in the agreement. On account of the funds available, it was ultimately signed at the \$44 million level.

Mr. Rowe: The amount of time that was lost in Ottawa probably took a lot of the approximately \$160 million reduction. Would this not be the same program that the famous Deerhurst Inn came under, when the present government took over and renegotiated that loan?

Hon. Mr. Eakins: Yes, Deerhurst was under that.

Mr. Rowe: Are there any other examples that you could now give us of the grants and loans that have been made under this agreement? How many are outstanding? Where are they? When are they to be signed, and what dollar value are they sitting at?

Hon. Mr. Eakins: There are a number under consideration at the present time. Mr. Brock could answer that, because he is acting for the ministry on that particular committee.

Mr. Rowe: Mr. Brock, I am also interested in the criteria used to determine whether the applicant receives a grant or a loan—one or the other. What criteria are put in place for that?

Mr. Brock: I am Bob Brock, director of the tourism development branch at the Ministry of Tourism and Recreation. Apart from the Deerhurst project, there are currently six major projects under consideration by both govern-

ments for assistance through the subsidiary agreement. The only contract to be signed by all parties to date is the Deerpark one. However, these other six are under very active consideration.

Mr. Rowe: What kind of criteria are used by both provincial and federal governments to determine whether the applicant receives a grant or a loan? Could you touch on that?

Mr. Brock: Yes. The applications we are primarily interested in under this subsidiary agreement relate to major year-round destination resorts and major attractions, those projects which have at least \$1 million in eligible costs. We usually look for at least 20 per cent in terms of an equity contribution on the part of the applicant.

The primary purpose of the agreement is to lever private investment. As a rule of thumb, we have been able to assist with approximately 20 to 25 per cent of the total cost, which in turn would lever the other 75 or 80 per cent from the private sector.

Mr. Rowe: Of the six major projects you mentioned, what would their total approximate dollar value be? How much of the total \$44 million would these six projects eat up?

Mr. Brock: Approximately \$14 million, on the part of both governments, would be represented by those six projects.

Mr. Rowe: So it would be \$7 million from us and \$7 million from them?

Mr. Brock: Yes, that is correct.

Mr. Rowe: What are the geographic criteria used, Minister, as to where these are placed, or are there any?

Correct me if I am wrong on this, but I understand that part of the agreement states they are to be outside Metropolitan Toronto. What percentage breakdown do you see the northern, southern, eastern and western parts of the province getting? Is there any particular program that you have in mind with respect to how you are going to share the balance of the approximately \$26 million left on this project?

Hon. Mr. Eakins: It is my view that all parts of the province should share in this. We have endeavoured, wherever I have visited, to make them aware of the program, and of the fact that we would entertain applications. All parts of the province should have destination attractions and be considered appropriate to visit. Some areas need good destination attractions and we support that. If they put a proposal together I will support the recognition of all parts of the province.

Mr. Sheppard: What criteria will these six major resorts be based on?

Hon. Mr. Eakins: As Mr. Brock mentioned, Deerpark has already been approved. Several others are under consideration by the joint committee and close to approval. They must go through a process. I do not know of any problems as far as that is concerned.

Regarding the criteria, Mr. Brock has outlined some of them. One of the things we are looking for are good destination attractions, accommodations or attractions that will help to sell a broad area of the province.

Mr. Sheppard: How soon do you expect these six to be signed?

Hon. Mr. Eakins: Mr. Brock could answer that because, as I say, there is a joint committee. The federal government is involved and requires certain information. It is a case of negotiating with the joint committee to arrive at a satisfactory decision. Mr. Brock, could you enlarge upon that since you are actively involved.

Mr. Brock: I anticipate three of the six contracts will be signed in a matter of two or three weeks and the remaining three within five or six weeks.

Mr. Rowe: Have you experienced any hold-ups on the federal level of any of the three you speak of?

Mr. Brock: The federal government is keeping pace with us in every respect. I could not fault them for holding things up any more than we have, on occasion, with good reason.

Mr. Pollock: What is the lead ministry here? The federal government or your ministry?

Hon. Mr. Eakins: It is joint—

Mr. Pollock: One of the ministries is usually the lead, though.

Mr. Sheppard: Who chairs the meetings?

Hon. Mr. Eakins: Would the applications come here initially, Mr. Brock?

Mr. Brock: The applications can be directed to either government. The subsidiary agreement itself is administered by a management committee made up of both governments. The Ontario government representatives are from both Treasury, and Tourism and Recreation. The two federal representatives are from the Department of Regional Industrial Expansion's regional office for Ontario. There are two co-chairmen on that management committee who take turns at each meeting. By way of approval, each major decision must be a consensus of all four members on the committee.

Hon. Mr. Eakins: I might say that the objective as stated under the agreement is, "To encourage new and major private sector initiatives by way of providing incentive loans or grants under five subprograms—product development, feasibility studies, planning studies, marketing and visitor services—focus on major destination resorts and attractions of international standard, addresses the whole of the province with priority to areas outside of Metro Toronto."

Mr. Pollock: You are not prepared to name these six projects?

10:40 a.m.

Hon. Mr. Eakins: No, I do not think so. Some of them are very close to being approved. We do not discuss them until it is close to announcement, and any announcement is a joint announcement made with the federal government.

Mr. Pouliot: My question is on vote 2902. We find ourselves somewhat in agreement with the "old form" of presenting things, but we have, at the risk of repeating ourselves, a strong reservation as to the style, method and approach of estimates. Maybe it should be food for thought. With all due respect to the presentation of estimates next year, we find that in terms of figures it is almost like pulling teeth.

I see our good friend, who is paying us the compliment of a visit, is encouraging the paper industry in Ontario. He should be commended; it needs encouraging. We find ourselves with insufficient information, therefore spending much of the time allocated for the Tourism and Recreation estimates looking at subject matters that should be addressed readily or should be digested or assimilated readily by virtue and reason of having the proper information, and we do not have it.

We should be perhaps busier, asking you about the spirit, asking you about the crux of the matter, about the intent in terms of policy, in terms of your mandate, what direction, what innovations you wish to bring, but we are burdened. We need more information. Give it to us, if you mean what you say in terms of open government, if you have nothing to hide. That is the only reservation I have. Collectively and individually, I am sure we are heading in the same direction.

Mr. Rowe: I have some questions on the travel information centres around the province. First, will any travel centres have to be closed this year?

Hon. Mr. Eakins: I hope not. I am not planning to close any.

Mr. Rowe: How many students do you anticipate hiring this year in these centres? Will you be hiring any additional students above last year? I do not need to know the number you hired last year, but any increase in students?

Hon. Mr. Eakins: It would be about the same, at the present time.

Mr. Rowe: Could the minister bring us up to date on the change of location for the new information centre on Highway 17 that runs through Kenora?

Hon. Mr. Eakins: My understanding is the location has not been decided at this time.

Mr. Rowe: All right. I understand the bypass will be completed in the next two years. What plan does the ministry have to draw the tourist traffic into the town of Kenora and, in turn, into Minaki? Are there any specific plans to promote that area in view of the bypass?

Hon. Mr. Eakins: It is a large question. I should like to make some comment on that. I wonder if Anne McCall, our marketing director, might want to comment on that first, and then I will speak to it.

Ms. McCall: As the minister indicated earlier, we should have our marketing plan together within the next few weeks. We are working with the travel association in that area, sunset country, very carefully to help them develop a marketing plan that is appropriate for their region, and we will be enhancing the types of markets and themes and direction they would like to take. We have already met with them and they have, with our help, developed a new strategy and a new direction and some new activities. We will be working with them on the Kenora area in particular.

Mr. Rowe: Could the minister inform us about the construction and the commencement date for the manned tourist information centres at Shabakwa Corners and Nipigon? I am also interested in the status of the municipal information kiosks at Sturgeon Falls, Hearst and Kirkland Lake. Perhaps they could get these back to me with later if time does not permit.

There was some idea and some discussion over a year ago when the Ministry of Northern Development and Mines, supported by the Ministry of Tourism and Recreation announced that a major tourism seminar would be held in northern Ontario. I understand this seminar would bring together all segments of the industry—organizations, groups, tour compan-

ies, travel agents, hotel and motel operators in the north—to discuss the future of tourism. The purpose was to plan and put in place a new 10-year tourism strategy that would have a new emphasis, adopt new ideas and incorporate the latest marketing strategies on how better to create awareness of the great potential of the north. The minister is on record as being very supportive of increased tourism in the north.

From what I gather through researching this, the seminar would have tied into a similar seminar planned by the federal government of the time. The announcement was enthusiastically supported by all groups in the north. However, I understand the new government has scrapped the idea. If it has been scrapped, I am interested in knowing why and whether another is being planned. If another is not being planned, I am interested in knowing why not.

Hon. Mr. Eakins: Do you mean whether the federal plans have been scrapped?

Mr. Rowe: This is the idea of a one- or two-day seminar in the north. Has it been scrapped? I understand it was to be a joint venture between the then Ministry of Northern Affairs and the Ministry of Tourism and Recreation; the federal government was to get in on the act too.

Hon. Mr. Eakins: I mentioned at the beginning of the estimates that when I spoke at the Northern Ontario Tourist Outfitters Association conference in Thunder Bay in November, I announced that to develop a strategy for tourism in Ontario we were going to have a series of meetings, concentrating on northern Ontario, to get input from people generally and from the industry and the chambers of commerce, as to the direction they felt we should be taking to promote the tourist industry to a greater degree.

There is no change in that. We are still working on putting together this series of meetings. This follows the meeting we had last year in Ottawa when the federal tourism minister tabled his report that brought about Canada-wide discussion. We felt the part we could play was to have a series of meetings throughout the province to get input.

From time to time, we hear various groups and organizations say we should be doing more here and not doing something somewhere else. Since we have a new agency in place and a new director of marketing, now is the time, not to tell them what is good for them—there are a number of problems in the industry—but to meet with them and put together a strategy to give the industry a higher profile and come up with a better plan of marketing the industry.

Mr. Rowe: Will you be meeting with them on an individual basis? This is not the idea of bringing together resort owners, travel agents and hotel and motel operators.

Hon. Mr. Eakins: They are included.

Mr. Rowe: They would not necessarily be all together in one room for a one-day conference; this would be individual meetings throughout the north. Is that the game plan?

Hon. Mr. Eakins: It will be at a number of locations throughout the province. It will not be just one meeting. We probably can have several in the north and several in the south, whatever we feel is appropriate, to make sure all areas are represented and have an opportunity. It is an exciting opportunity and I hope that as critics and members of the Legislature, you will be in whatever area we are, because we want your input. It is very important.

Mr. Rowe: I understand the municipality of North Bay has embarked on an ambitious tourist information project that will incorporate the Dionne quintuplets' original home. Can the minister give us a status report on the project and what involvement, if any, his ministry will have in this development?

Hon. Mr. Eakins: We are 100 per cent behind anything that is going to promote and develop the industry. I cannot comment further on that project. It is probably being developed in the area and we will work according to the advice of the people in that area.

10:50 a.m.

Mr. Rowe: Mr. Chairman, I have a number of questions about marketing development. I do not know whether this is the time you want to deal with them.

The Vice-Chairman: I have Mr. McGuigan down for this. I do not know whether yours would be supplementary.

Mr. Rowe: No, they are not supplementary. They are specifically on tourism marketing, so you can put my name down for another question.

Mr. McGuigan: Mine are supplementary.

The Vice-Chairman: I am open for any time you want to take on this. I believe Mr. Sheppard and Mr. Miller also have supplementaries.

Mr. McGuigan: I want to say a word for tourism in southwestern Ontario. It is not that we are complaining about past treatment or that we have quarrels with people in other parts of the province; not at all. Our area is probably not thought of as a tourist area, but if you look along

Highway 3 going from Windsor to Fort Erie, it is developing as quite a tourist area.

It was about five years ago that the the Talbot Trail was declared in honour of Thomas Talbot, who developed thousands of acres of land in southwestern Ontario back in the early 1800s. If you start at Windsor, there are many historic sites, going back to the time when Canada was part of the French empire. Windsor itself has some important places.

Going along the lake, in Essex county, the Jack Miner Bird Foundation in Kingsville is a world-renowned place. If you come all the way along the shore of Lake Erie, a number of marinas and campgrounds now have developed. I was not much aware of these until I became a member. In my travels I have realized that they are quite important and are growing in importance.

Rather than taking Highway 401, which is a great but not very scenic way to get from Windsor to Toronto, many people take Highway 3 coming through Blenheim and Elgin county. In Elgin especially, there is some rough farm land. They have been able to strip this farm land off and get severances to develop campgrounds. There are quite a number in Elgin county.

One that is under consideration right now is the old Talbot estate. There are about 900 acres, of which about 200 to 300 are actually developed as farm land. It has been owned by a Canadian, a Mr. Ker, and the family has developed to a point in its life where it would like someone to take over the estate.

They have at least parts of the original building, which they call Malahide. There is some dispute as to whether all the building is original. My opinion of these disputes has been: who cares whether it can be absolutely confirmed as original? There is nobody living who was around then, so who is going to dispute the originality of the building? It is representative of the original and the building is very old.

A local group of people has undertaken to raise money and the asking price is about \$1.5 million. They are fairly confident they can raise a substantial amount of money. I have not encouraged them to think the government is going to step in and buy this piece of property. However, if they do come up with substantial funds, could your ministry top off the last few thousands of dollars required to buy the place? They are quite prepared to work and are confident they can raise a lot of money. I wonder whether your ministry might be counted on at the end to finish off the fundraising drive.

In addition to that, you might point out these places along Highway 3 in your advertising brochures. As part of that attraction along Highway 3, there is a greenhouse operator at Eagle, near West Lorne, Swain Greenhouses. This fellow is a very imaginative and aggressive operator. He has quite an extensive area of greenhouses and grows every imaginable plant you could grow in a greenhouse in this part of the world, from tropical plants to desert plants. He presents them in a very imaginative fashion.

He also has a good-sized teahouse with this business and employs some 35 people. To give you some idea of the tourism impact, 200 busloads of people drop into his place. Some are local, but many buses now take in that scenic route along Highway 3.

He wants to expand the business and has several ideas. One is based on burning wood as fuel. The West Lorne area is hardwood-producing and has developed quite a flooring and lumber industry. It is strange to realize it brings in oak logs from Pennsylvania, turns them into flooring and ships it back to the United States. It means there is a lot of waste wood in the area.

There is a wrecking yard in London for Canadian National Railways, where all the old wooden boxcars are wrecked. He has developed a system of burning this wood to provide his heat and wants to expand that operation. He also came up with the idea that there is a great opportunity to sell plants in the United States. If you send plants to the United States, you have to pay duty. If you put the plant in a little planter it goes over duty free, so you sell not only the plant but the planter as well. People in the area make wooden or ceramic planters.

I am just giving a tour of Highway 3. I leave it to the Vice-Chairman to pick up from where I am because he could carry on.

The Vice-Chairman: We only have four hours left in the estimates and I could take up that time.

Mr. Pouliot: Mr. Chairman, on a point of order: We can quote verbatim where people have been and what the member has had to say, but it is not the style of the riding of Lake Nipigon to go mile by mile because we might be here until hell freezes over.

Mr. McGuigan: I was throwing the ball to the Vice-Chairman. Let me make my finishing pitch.

What sort of help can the ministry give to such a man? The tobacco industry is declining and all these people have greenhouses. He wants to expand and take in those greenhouses.

Mr. Rowe: Hire him.

11 a.m.

Mr. McGuigan: You could do worse, I can tell you. He is an imaginative person who is a sparkplug of activity in the area. We are appealing to all the ministries for help. I am wondering what the Ministry of Tourism and Recreation might be able to do for such a person.

Hon. Mr. Eakins: Some of these opportunities might also be available through the Ministry of Industry, Trade and Technology and the Ministry of Agriculture and Food. Regarding the question about land purchase—I think you mentioned the Talbot property—this ministry does not buy land directly, but these projects might be supported by Industry, Trade and Technology after submitting a proposal.

The Ministry of Natural Resources is the main agent for buying recreational lands. It does it through the conservation authorities. Some of the questions you have raised point up the many opportunities to promote the total tourism plan that we often overlook.

We tend to zero in on certain activities and areas as being tourism-related. Anything that attracts and brings people to an area from within the province, from outside or internationally is good tourism business. We should be taking a look at the broad sector. These are areas that might be brought to the attention of the general meetings we will be having throughout the province.

Mr. McGuigan: I have a brief from Mr. Swain.

Hon. Mr. Eakins: We will be glad to have it. We will look it over and respond to you.

The Vice-Chairman: It was agreed by the committee that we would revert to vote 2903, parks and attractions program, at 11 a.m. Then we will go back to vote 2902, which will be Mr. Sheppard and Mr. Miller.

Mr. G. I. Miller: May I ask a supplementary to the discussion?

The Vice-Chairman: We have a number of members of boards and commissions here.

Mr. McGuigan: Gordon wants to go down Highway 3 again.

Mr. G. I. Miller: No, I do not want to go down Highway 3.

Hon. Mr. Eakins: We can come back to it.

Mr. Grande: On a point of order, Mr. Chairman: I wonder whether you can assist me. I looked through the briefing book to find out what the Ontario Lottery Corp. comes under.

The Vice-Chairman: It is going to come in now. It is under the parks and attractions program.

Mr. Rowe: On a point of clarification, Mr. Chairman: Is it the understanding of the committee that we now will go to parks and attractions, but we will come back to finish off vote 2902, as there are some questions on tourism and marketing that we have not got to yet?

The Vice-Chairman: That is the understanding of the committee.

On vote 2903, parks and attractions program:

Hon. Mr. Eakins: There was a question with regard to eastern Ontario subsidiary agreement projects. We have a list of those if you want to ask further about them.

The reason the Ontario Lottery Corp. is not listed is because we are not involved with money. We do not make money available to it. It reports to this ministry as the reporting ministry, but no money is voted to it; that is why it is not listed. It is represented here today.

I will outline this again so you know who else is here, should you wish to question any of them.

The Huronia Historical Parks, John Barrett-Hamilton, general manager; Old Fort William, Armin Weber, general manager; Ontario Place Corp., Virginia Cooper, general manager; St. Lawrence Parks Commission, Bob Cook, general manager; resort development, Minaki Lodge, Fred Boyer, president and chief executive officer; Ottawa Congress Centre, George McCabe, general manager; Metro Toronto Convention Centre, John Maxwell, president and chief executive officer; Ontario Lottery Corp., Norman Morris, president.

They are here and available, if there any questions you would like to ask.

The Vice-Chairman: Can we perhaps go down the list of the different agencies, boards and commissions?

Mr. Rowe: Is it the intention of the ministry to complete the orientation centre at Old Fort William that I understand was part of the original project? From the standpoint of our party, we feel it would enhance the tourist attraction. I trust that you will be favourable towards this and that, overall, you are supportive of the Old Fort William project.

Hon. Mr. Eakins: It is on our capital projects list, and we are certainly recommending it. Mr. Weber, do you have any further comments you want to make?

Mr. Weber: To my knowledge, the submission has gone to Management Board and will be

considered in the next several weeks, as far as the actual tender documents and construction go. As I understand it, it is up to Management Board at this point.

Mr. Rowe: Do we have an overall cost for completing the orientation centre?

Mr. Weber: The Ministry of Government Services estimate at this point is \$8.2 million.

Mr. Rowe: And the completion time of the project?

Mr. Weber: It is 1989. It will take three years, provided it is approved in the future.

Mr. Rowe: I have one final question. The number of full-time employees is 36. Does that represent an increase over the last year?

Mr. Weber: It has been static for the past several years.

The Vice-Chairman: Any further questions of Mr. Weber by committee members? Thank you, Mr. Weber.

Hon. Mr. Eakins: Do you want to go down the list? The first one is Huronia Historical Parks. John Barrett-Hamilton, the general manager, is here. Does anyone have any questions in regard to Huronia Historical Parks?

Mr. Sheppard: I have one. What is the total attendance at the parks in a year?

Mr. Barrett-Hamilton: The combined attendance at the two sites of the Huronia Historical Parks is approximately 175,000. That comprises general visitors and schoolchildren, with school children making up about 30,000 or 31,000 of that.

Mr. Sheppard: What period are you looking at? From May 24, to Thanksgiving?

Mr. Barrett-Hamilton: The historic naval and military establishments in Penetanguishene are open from the long weekend in May through to mid-October for general public visitors, and then we go into an eight-week educational program for school children. Sainte-Marie Among the Hurons also covers that period, with educational programs extending to the middle of February.

Mr. Sheppard: I see there are 31 full-time positions. Do you hire part-time or full-time students in the summertime?

Mr. Barrett-Hamilton: We hire as many as 175 students and seasonal employees year-round. During the summer, it runs to about 90 or 95 students.

Mr. Sheppard: What do you pay them, minimum wage?

Mr. Barrett-Hamilton: Putting the student employment program aside, which pays minimum wage, the salary will run from about \$5.19 an hour to as high as \$8.20, I believe.

Mr. Sheppard: Do you have any accommodation for your part-time help?

Mr. Barrett-Hamilton: No. The general community has places to board people and takes all those people in basements, apartments, campers or wherever the students can find a place to settle themselves.

Mr. Sheppard: Do you go down to the United States with literature when they have their tourist promotion weeks, or do you send some down through other means?

Mr. Barrett-Hamilton: We do it two ways. One way is that we send the head of our promotion and public relations section down to the United States and to conventions in Canada.

The second way we do it is in conjunction with a network of private tourism operators, people who are going to other attractions, conferences and so on. They share and promote the aspects we have to offer, and we promote some of their interests when we go out of the area. We present a package about Huronia and attract people to come, not only to our sites but also to the other services available there. They do the same for us.

11:10 a.m.

Mr. Rowe: Welcome, Mr. Barrett-Hamilton, it is good to see you. During the papal visit last year, did you notice any huge increase in your business?

Mr. Barrett-Hamilton: Last year at Sainte-Marie Among the Hurons the number of visitors probably increased about by 12 per cent over 1983.

Mr. Rowe: How much of that 12 per cent would you attribute to the visit?

Mr. Barrett-Hamilton: I would say probably in the neighbourhood of five or six per cent altogether.

Mr. Rowe: So that would be about 50 per cent of your increase.

Mr. Barrett-Hamilton: The other element in that increase probably was the spinoff from the bicentennial projects and other things that were going on throughout the province at the time.

Mr. Rowe: Have you experienced a drop in your US tourist visitors during the summer months?

Mr. Barrett-Hamilton: We are still analysing our results, but I would have to say that would be a part of our drop this year compared to last

year. Last year it was extremely high. We are back to where our 1983 attendances were. We are definitely suffering from a number of things.

Mr. Rowe: On that same subject, talking to them or keeping your ear to the grapevine, are you hearing why they are not coming and the particular reasons they are not travelling into beautiful Huronia? I happen to have a vested interest in that area, as it is near and dear to my heart. Is there any particular reason why they are not coming up in the numbers they used to?

Mr. Barrett-Hamilton: We are still working with some of our data. I do not think it is a lack of appeal of the attractions, or even of the area. One of the reasons seems to be that with the economy stabilizing in both the US and Canada during the earlier part of 1985, people were spending money on other things such as home improvements and looking after some of the things they had been putting off for two or three years.

That is one part of the equation. Another one is that the competition is getting stronger along the border, and people are not travelling the same distance. Overall, we have not had complaints about the services in the Huronia area, which includes Midland, Penetanguishene, Barrie and Collingwood. It just seems the competition was stronger in 1985 than it was in 1984.

Mr. Rowe: Do we have any alternative game plans with respect to promotions or advertising that might try to pull some of our American friends back into the great Huronia area?

Mr. Barrett-Hamilton: All the general managers of our ministry attractions are meeting in April. The key presentation will be a discussion of our marketing strategy with the new marketing agency and with the marketing section. We are hoping to provide some answers over the long term out of that discussion.

Mr. McGuigan: One of the aims of the Talbot Trail people was to have a Talbot Parkway declared from Windsor to Fort Erie. That was not possible under the previous government. What would have to be done to establish a Talbot Parkway, because Highway 3 has become such an important alternative route, especially for tourists? People are not driving as great a distance as they once did. There are more opportunities in southern Ontario because of the cost of fuel, although that may be changing. A lot of prices have come down, but there is a lot of interest in declaring that area a parkway.

Hon. Mr. Eakins: Perhaps that is something that should be discussed interministerially. The Ministry of Transportation and Communications

would have an interest in that. If some discussion paper were put together, this ministry would be interested in meeting with other ministries to see what the feasibility would be. I would not know until I had a look at it. They should be encouraged to put something together and we would look at it.

I had the pleasure of visiting Huronia and the establishments last summer. I was very impressed with the work you are doing there. I see a lot of potential. I look forward to going back to visit. It is an excellent facility.

Mr. Barrett-Hamilton: Thank you very much.

Item 1 agreed to.

Item 2 agreed to.

On item 3, Ontario Place Corp.:

Hon. Mr. Eakins: Virginia Cooper, general manager of Ontario Place Corp., is here.

Mr. Rowe: Over the years the minister has supported this great facility on Ontario's waterfront. It is of world-class recognition and a tremendous asset to our government and province. I have two questions concerning future development of Ontario Place.

The previous government had approved funding for the revitalization of Ontario Place, beginning with the first phase of a five-year plan. I believe it involved construction of a water ride. Can the minister tell us the status of the overall plan: what has been completed and what is planned?

I know the minister is well aware of theme parks, such as Canada's Wonderland, continuing with attractions, adding new rides and enhancing parks. After 14 successful years with Ontario Place, can the minister assure us that the five-year plan is on target and will not be tampered with?

Hon. Mr. Eakins: Ontario Place has completed the construction of phase 1 of its five-phase development plan. Phase 1 included the wilderness adventure ride on the west island and the new water stage facility for highlighting Canadian talent. There are three renovated restaurants, a new gift shop and a restructured western entrance. Construction was completed within budget and all components were open to the public by mid-July 1985.

Mr. Rowe: I am interested to know about the rest of the five-year construction plan, from that point on. Do we have assurance that the rest of the long-term plan is going to be kept in place and not tampered with by the present government? In other words, can the minister assure us that none

of the rest of the phases of the balance of the plan will be cut?

Hon. Mr. Eakins: There is a plan for the next phase in front of the government at present. We are very interested in continued development of Ontario Place.

Mr. Rowe: So we cannot be positive that the rest of the planned programs for Ontario Place will continue to try to compete with Wonderland's new \$5-million ride, I believe it is, inside the mountain this year.

My concern is that we do not abandon Ontario Place's future and let attendance slide. I am sure the minister will agree that it is absolutely imperative we continue upgrading and enhancing these attractions so as not to lose attendance. Can the minister give me the assurance that he will continue the long-range plans for Ontario Place?

Hon. Mr. Eakins: This is under active consideration for next year in our estimates. I am very much aware of the need to make sure Ontario Place is a focal point for the province. I am very impressed with what Ontario Place is doing. We must be competitive not only with other attractions, but it must also move ahead, in view of the development that has taken place. I am very committed to the need of Ontario Place, and we will be doing everything we can to make sure it is upgraded and keeps pace.

11:20 a.m.

Mr. Rowe: I am interested to know whether you have any contingency plans this year for Ontario Place, in view of the tremendous competition that Expo 86 may throw at us. Has anyone addressed the issue to this point? Do you have any plans that could be put into effect to make sure attendance does not slide over last year's and, if anything, is increased?

Hon. Mr. Eakins: Perhaps Ms. Cooper could add to this. I know the attendance is up by about 20 per cent over a year ago.

Ms. Cooper: That is right.

Hon. Mr. Eakins: This indicates we are moving in the right direction. One purpose of our Expo 86 entry is to make sure we have a presence there and to encourage everyone to visit Ontario as well as visiting Expo 86; so I hope attendance will be maintained. I do not know whether you want to comment, Ms. Cooper. You might want to say what plans you have.

Ms. Cooper: We have been trying to provide promotion for Expo 86, since Ontario is also involved in that significant project. We were previewing the promotional material at our site last summer, and we showed one of the Imax

films, *Freedom to Move*, in our theatre, which was a significant Canadian promotion.

I guess it is fair to say, as you do, that we hope our long-range plan development will continue, but we are also working on several projects for next summer that we hope will bring people back to our site. We are planning a cabaret show at the new waterfall showplace. The producer of that is someone well known to the Toronto entertainment industry, Marlene Smith, so we think that will be an exciting project.

We are making refurbishments in the water-play area of Children's Village to improve the appearance, attractiveness and enticing aspects of that area for small children and families. There are several plans in various stages now that will maintain our attendance levels from last summer.

Hon. Mr. Eakins: This will also be the first full season of the wilderness ride, which got under way later in the summer. That in itself is going to be quite an attraction, and it will be its first full year.

Mr. Pouliot: I have a few comments. I certainly welcome you giving your time and paying us the compliment of a visit. I had the opportunity, as a tourist, to take in Ontario Place, but there were a few shortcomings and pitfalls that I would welcome your comments on.

First, the Blue Jays happened to be playing, and it was very difficult, almost impossible, to find a parking spot. Once I got there, I thought, "I shall be 'processed' quickly," because I was very anxious to see Ontario Place. I had heard so much about it. However, there was a long, long lineup. It was difficult to get to Mecca.

The minister has volunteered the fact that there are plans in progress at the west entrance, or whatever—at the risk of being corrected. Is that tied up with the long lineup one has to experience? It gives one the opportunity to mingle, to meet neighbours. People become very talkative, but they also become somewhat impatient; they want to get in.

Ms. Cooper: Is this a lineup involving cars, or on foot?

Mr. Pouliot: The car situation is in another ministry's jurisdiction. We will save you that. What about in terms of processing people through your turnstiles?

Ms. Cooper: We hope the improvements we made at the west entrance last summer have helped part of the problem you experienced. We also recognize that our centre entrance needs to be redesigned and reworked, given that is the major entry point for the park. That is in the next

phase of redevelopment before the government at the moment.

Mr. Pouliot: By virtue and reason of its location, the focal point, given those very important facts, it is one of the few places where the family can recreate. They have a bit of green space, a few square inches or a few square yards; it is not very much.

However, when I am waiting in line, I am always interested in seeing some compatriots from Quebec and, looking at the brochure, I am curious as to how you develop your marketing and advertising strategy. Maybe you can indicate to me, given the market of 6.5 million people, why I have never seen a brochure in French so we can lure or attract—

Ms. Cooper: A newer brochure will be published in French.

Mr. Pouliot: It will be a first.

Ms. Cooper: No. We have done it before; I do not believe it was done last year.

Mr. Pouliot: That is right. That point is well taken.

By way of conclusion, a 20 per cent attendance speaks very highly of the focal point. Your lineup of artists is second to none. It is a unique opportunity and should be preserved and enhanced. You should be given the tools to do the job you have done so well. I am sure you must suffer in silence at times when you see a decrease of \$300,000 and yet your plans are so prolific.

The Vice-Chairman: Thank you for those complimentary remarks. I thought you were going to say you want an Ontario Place in northwestern Ontario or somewhere.

Mr. Pouliot: Why not?

Mr. Sheppard: I have a couple of questions. On the days when there are a couple of busloads coming in from out of town and there is a Blue Jays game on, do you have a special pass so you can get into Ontario Place and go to the Blue Jays game on the same ticket?

Ms. Cooper: No, we do not, but we have an arrangement with the Blue Jays whereby, if someone has a reserved ticket to a game, he can get into Ontario Place two hours ahead of the game for free. The intent of that promotion is to encourage the Blue Jays' patrons to use our lounge and restaurant facilities. It has been very successful.

Mr. Sheppard: I must congratulate you. Any time I have gone to Ontario Place I have always enjoyed it, because so far I have never gone when it was raining.

Mr. Rowe: He never goes out in the rain.

Mr. Sheppard: Some people go to Ontario Place, go to a Blue Jays game and then cannot get back into Ontario Place. Is there any reason for that? Could they not get a stub or a stamp or something so they could get back in?

Ms. Cooper: We had a policy whereby we stamped their hands, allowing them up to an hour's free admission. We revised that policy a year or so ago with the specific intent that people would have to pay when they came out of the Blue Jays game. By that time, if it is an evening game, it is night admission—or free, depending on the hour—and they either enter free or pay the \$1 night admission fee.

If it is an afternoon game and we allow them back in afterwards, it means they have access to all the park facilities, including the Forum shows, not having paid anything at all. That was the purpose of putting the limit on the re-entry.

Mr. Sheppard: I have been a couple of times when I could hardly find a place to park. Are you considering adding more parking facilities?

Ms. Cooper: We added a new parking lot a year ago and we hope, as part of the continuing shoreline protection program on our eastern shore, that we will be able to add some fill and expand the far eastern parking lot. However, on that side of the park, the water lot is under the control of the Toronto Harbour Commissioners; to do anything further and expand on that shoreline, we have to get their permission. We are seeking that.

11:30 a.m.

Mr. Sheppard: How many free season passes does Ontario Place give out in a year?

Ms. Cooper: There were 1,700 season passes last year.

Mr. Sheppard: I read in the Toronto Star that they were thinking about having a look at it and maybe cutting it back. Have you discussed this with your superiors or will it remain the same?

Ms. Cooper: No. As a matter of fact, when Mr. Eakins became our minister, he expressed an interest in our past policy. Management and the board of directors of Ontario Place agreed to review it at the conclusion of the season, which we have done. We have submitted our recommendations to the minister. They have just recently been approved. You will see some changes next season.

The Vice-Chairman: Is this going to affect the members?

Ms. Cooper: They have been tightened up.

Hon. Mr. Eakins: Upon my appointment as minister, this was one of the first areas that I asked to be reviewed. There was some reference to it in the Provincial Auditor's report. I have asked for further review and recommendations. Those are now before me and a decision will be made shortly. You will hear further comment.

Mr. Sheppard: We, as members, have had free passes. We never abuse them. I got there two or three times last year. Are you going to take them away from the members?

Hon. Mr. Eakins: Members will not be abused.

Mr. Rowe: By taking control of the passes out of the hands of the board of directors—if that is the minister's intention—

The Vice-Chairman: That is to control parking.

Mr. Rowe:—I am sure the minister will give this committee and the members the assurance that handing passes out will not become a political matter. How can the minister ensure that, by his office itself handling these passes, this will not become a political gesture?

Hon. Mr. Eakins: Passes were the responsibility of the management, not the board of directors.

Mr. Rowe: So it is your feeling that should come out of the hands of management and go into your ministry?

Hon. Mr. Eakins: No. We are working with Ontario Place regarding a general policy that will provide better control over the number of passes and check any abuses. We will have something shortly for your consideration.

Mr. Rowe: To your knowledge, has any directive come from the minister's office to Ontario Place stating that passes will not be handed out by Ontario Place until this is cleared up by your ministry?

Hon. Mr. Eakins: No. The policy is one of the initiatives I have taken. It is one of my responsibilities. We will have that policy in place shortly.

Mr. Pouliot: On the same matter, I wish I could use the expressions appalled and shocked, but being of a frugal and spartan background, one can readily understand that the issuing of passes is like an invitation to the table of sin. The number of 1,700 is sort of staggering and not in keeping with the lack of morality of yesteryears.

I know they were introduced as a matter of courtesy. The recipients of those passes were to

pay Ontario Place the compliment of a visit. That is the philosophy and approach, and that point was well taken. Over the years—statistics may attest to this—the number has increased.

If you mean what you say, many senior citizens, although they are given a bargain—I am talking about the less fortunate in our society—have not been encouraged. It leaves a bad taste when you are talking about freebies. I know ministers of the crown are getting them. They make twice as much as the provincial average in terms of income. I know they work hard; they like to believe they work hard. I can readily attest that we make them work harder.

Our party would like to have it as a matter of record that we are against the principle of issuing passes that go mainly to the privileged few. Notwithstanding the fact that you mean well and that they are given on a courtesy basis, we suggest the minister take a good look at it. Charity does not begin at home but with the less fortunate; not with the more fortunate, who seem to be more and more fortunate by virtue and reason of receiving more freebies.

Hon. Mr. Eakins: That is one of the reasons for reviewing it: to make sure there are not those privileged few, but there is a general policy that is going to be more effective. We will have that review completed very shortly.

Mr. Pollock: To date, how many dollars have been invested in Ontario Place over the years?

Ms. Cooper: The capital investment was \$50 million. With the long-range plan funding we have received in the past fiscal year, it would be approximately \$60 million.

Mr. Pollock: That is since it was first started?

Ms. Cooper: Yes, in capital dollars. That is right.

Mr. Rowe: Are you anticipating any increase in admission or parking fees this year?

Ms. Cooper: Yes. We hope so.

Mr. Rowe: Do you have any idea of the percentage?

Ms. Cooper: We are hoping the adult admission will go up by 25 cents, from \$4.50 to \$4.75.

The parking fees present a unique circumstance. We try to keep our parking fees parallel to those charged by Exhibition Place in order that the great barrage of traffic that comes down the Lakeshore will not all come to our lots because they are significantly cheaper than the Exhibition Place lots.

Exhibition Place has received approval to raise its parking fees by 50 cents, from \$3.50 to \$4,

this year. We have made a similar request for the reasons I just outlined.

Mr. Rowe: I saw some information in the newspapers about control of parking fees. Do you have a handle on that now? We are not making donations to the individual fund of the parking lot these days, are we?

Ms. Cooper: The Provincial Auditor has commented on the control mechanisms used in the parking booths. We disagreed with one of the solutions, which was to hire more staff to ensure there was no abuse of funds there, because we felt that investment would not be worth it. If there were any cheating going on, it would not nearly amount to what the fees would cost us to pay the salaries for the staff.

However, we did agree that we would conduct more surprise audits and that we would post signage at the booths, telling the customer to ask for a receipt upon paying the parking fee.

Mr. Rowe: Are there automatic counters now, where you drive over them and they are counted at each booth?

Ms. Cooper: They are installed, but they have never worked very well. The reason we do not think they should be used for auditing of revenues in the parking booths is that we have motorcycles, trailers and buses, and the automatic counters are designed to count only cars. Every time you get a motorcycle, a trailer home or a larger vehicle, you get a double or triple count. It makes revenue reconciliation very difficult.

Recently, we have used them to give us an indication of the number of vehicles in the lot at any one time so our staff does not have to run around and see how many spaces are left.

Mr. Rowe: Coming from and being in the entertainment business from time to time, we have found that even though the reconciliation for numbers does not work out, it sure does put the onus on the person collecting money if you walk out every so many hours, open the box with a key, have a look at a counter, write down a number and disappear. They never know whether you know what you are doing. It is the element of surprise. It has worked for me.

I have another question. How is the rent paid on the food and liquor establishments? Is it a percentage of the gross take, or is it the net take?

Ms. Cooper: Gross.

Mr. Rowe: Is it adjusted very often?

Ms. Cooper: It is worked into the contracts we have with each of our concessionaires; so it depends on when the contract was signed. We had two new concessionaires last summer, for

example; so we renegotiated the rent for those two new facilities. They are very recent. The contracts for some of the other concessionaires are longer-term; so they have rents established previously. They vary somewhat.

11:40 a.m.

Mr. Rowe: How would one go about acquiring one of these concessions?

Ms. Cooper: They are always thrown open for public bid once the term of the contract expires.

Mr. Rowe: I assume the highest bidder would get the concession if all the documents were in line and he was worthy of running it.

Ms. Cooper: If you are interested in pursuing this in detail, I have someone with me who knows more about the judgements upon which we select the concessionaire. It is not necessarily the highest bidder; a number of factors go into judging a person's submission.

Mr. Rowe: Who pays the taxes, if there are any, on Ontario Place?

Ms. Cooper: There is quite a large sum of taxes. It is basically a grant through the Ministry of Municipal Affairs to the city in lieu of taxes. The amount is very significant, close to \$900,000.

Mr. Rowe: What are the slip rates for boats at the marina basin? Are they fairly substantial? Are they competitive with other marinas' rates?

Ms. Cooper: We view them as being competitive with other marinas, but there is a great variety of prices depending on size of boat, length of stay, etc.

Mr. Rowe: How do you acquire a slip for a boat there? Is there a long waiting list?

Ms. Cooper: Yes; by this time of year, there is. You simply make application to the marina manager.

Mr. Rowe: How is summer help hired?

Ms. Cooper: It is a very extensive and time-consuming process. We do it in two distinct ways. One is that we invite the best of the previous year's staff to reapply.

Mr. Rowe: Does that include parking boys?

Ms. Cooper: If they have had good evaluations. We hire back about 50 per cent of the staff from the previous summer. That gives us seniority and continuity. For the rest of the openings, we advertise in community college and university newspapers and distribute big recruitment posters to various placement centres at colleges and universities. We conduct a couple of field trips and specifically recruit in northern

Ontario. The rest of the people simply phone us and ask for applications and we mail them out.

Mr. Rowe: So it is a completely open process.

Ms. Cooper: Absolutely.

Mr. Sheppard: What is the total number of summer jobs at Ontario Place?

Ms. Cooper: It fluctuates each year, but this year I believe it is 780.

Mr. Sheppard: You said you advertise in universities and colleges. Do you not accept grades 12 and 13 high school students?

Ms. Cooper: We do not specifically recruit them because of the early start to our season. We have students come in to train in early May. There are not many high school students who are available at that time of the year. However, we have some part-time jobs available in food services for high school students on weekends and peak days. Occasionally we use them as summer replacements if other students leave in midsummer. By and large, we do not encourage high school applicants.

Mr. Sheppard: I know some places hire students for half a season and others for the other half. You do not do that at Ontario Place?

Ms. Cooper: No.

Mr. Sheppard: You hire them for the full season if they do their job?

Ms. Cooper: Yes, and they are mostly college and university students if we are hiring them for the full season. We use high school students only as midseason replacements if other people have left.

Mr. Sheppard: To get a better-paying job somewhere else.

Ms. Cooper: That is right.

Item 3 agreed to.

Mr. Grande: Since the Ontario Lottery Corp. is not on this sheet because, as the minister said, the ministry provides no money to Ontario Lottery Corp., is it possible, with the indulgence of the members, to deal with Ontario Lottery Corp. now, then proceed with the other items under this vote?

Hon. Mr. Eakins: I have no objection. It is up to the chairman and the members.

The Vice-Chairman: The only reason I would question that is that we have some ladies and gentlemen from other places in Ontario that are a long distance away, for example, the St. Lawrence Parks Commission. I was wondering, as close as we are to Toronto, whether we should get their answers first.

Mr. Grande: That is a consideration.

Hon. Mr. Eakins: There are a couple from further out of town, the St. Lawrence Parks Commission and the Ottawa Congress Centre.

Mr. Sheppard: Anybody here from Minaki?

Mr. Bernier: Right here.

Mr. Sheppard: I have some questions I want to ask you. Just stick around a minute.

Mr. Bernier: I will answer the questions.

The Vice-Chairman: It is up to the committee, if you want to proceed based upon what Mr. Grande has proposed.

Let us go on to the St. Lawrence Parks Commission.

On item 4, St. Lawrence Parks Commission:

Hon. Mr. Eakins: Any questions for the St. Lawrence Parks Commission?

Mr. Sheppard: Yes, I want to ask one question. What is the total employment, and how many students are there down there?

Mr. Cook: The number of people employed full-time is 126 and the seasonal staff numbers about 746. The student and adult employment divides about three ways. In the parks system—and we run 15 provincial parks—half the employees are adults and half are students. That is about one third of the system.

At Old Fort Henry, the majority of people hired on a seasonal basis are university and high-school students; that would be about 150. At Upper Canada Village, where there are about 250 employees, it would be about 80 per cent adult. It varies with each facility. At the various smaller units, the marina and our golf club, it is about 50:50 adults and students.

Mr. Sheppard: Have you done much in the way of expanding Upper Canada Village? I was down there last summer and I have to give credit to whomever is looking after it. You are doing an excellent job. There is a really good golf course there too, across the road. What do you have in regard to expanding it in the coming year or two?

Mr. Cook: Maybe I can take the last three years. This year, the village is 25 years old. It was the first historic village in Canada, and we have spent a good deal of time in the last three years keeping the original buildings up to what the public expects. In 1984, for the opening of the bicentennial, we added Bellamy's mill, which I think is unique in North America.

We have changed the process in the retail area and we have upgraded current facilities, wash-rooms and that kind of thing, which tend to get

worn out fairly quickly. Those have all been upgraded in the last three years.

We have a series of buildings we would like to add. All I can say is those are in for request. It is the same as any attraction: unless you are adding things and making things new, providing reasons for new people to come and for the current people to come back, you are simply losing them.

Mr. Sheppard: The weekend I was down there, there was a company or some new people who came in. They wanted to set up so they could build canoes down there.

Mr. Cook: Yes, that is right.

Mr. Sheppard: Where is that going this year?

Mr. Cook: We are going to continue with it for two weeks. This is a parallel program to what has been done by the National Capital Commission, that is, the Voyageur weekend, which draws a great many people from across Canada. We tried it on an experimental basis last year and it proved very popular. We are going to continue it for two weeks, just after the time they are appearing in Ottawa. Yes. People like it and we are going to continue with it. It will be from July 2 for about two weeks.

Mr. Sheppard: I was down there last summer and I rode in one of the warrior canoes, but the water was too rough. I was talking to them, and they were hoping the people in charge would ask them back, perhaps for an even longer period than two weeks.

11:50 a.m.

Mr. Cook: One of the projects we are attempting to make over is the Marine Museum at Upper Canada Village, which depicts the transportation system the St. Lawrence River provided. One of our targets is to get that refurbished and perhaps even to depict the St. Lawrence skiff, which was a very attractive, 18-foot-long, unique Ontario sailing boat. This is one of the things we hope to depict in the Marine Museum area. It is targeted for the next two years, if we can do it.

Mr. Sheppard: Down at the east end, you have quite a few antique farming aspects. Do you hope to add any more to them this year?

Mr. Cook: Last year, we completely changed the main barn area from a static museum, which people simply do not like any more. The Ontario Science Centre has changed people's view of what museums should be like. We have recognized this and we are trying to get the kind of exhibit in which people can participate.

That was a project for last year. It was reopened and proved very popular. We removed

the static aspect so people can come in and see the animals and that kind of thing. This year, we will also have a bilingual audiovisual presentation that will show what Upper Canada Village is. It is a 12-minute production, and it will be shown in both French and English, as about 20 per cent of our visitors are from Quebec.

Mr. Rowe: Have you ever considered or are you considering running this parks commission like a business, similar to the Niagara Parks Commission, with a golf course and gift shop? Its revenue is huge I understand, although it is obviously not in the estimates. It is a good revenue-generating attraction. Have you considered setting up on that basis?

The Vice-Chairman: Probably as soon as they can get water rentals on the nuclear plants down along that way, we can provide them with water rental fees.

Hon. Mr. Eakins: It is under consideration.

Mr. Rowe: Has a decision been made to replace Don Irvine, the chairman of the St. Lawrence Parks Commission? I happened to stumble upon an article—I think it was in the Ottawa Citizen—that said a local Liberal, Morrisburg reeve Bill Dillabough, who was a party standard bearer in the last election, has the inside track to succeed him. I wondered if the minister had made any decision—in keeping, of course, with open government, no walls, no barriers—to replace the chairman yet.

Hon. Mr. Eakins: The decision will be made very shortly. I do not think anyone has the inside track.

Mr. Rowe: It is stated here that the Premier (Mr. Peterson) said it was on the agenda. This was an article from late January, the 24th, I believe. He said it was on the agenda last Wednesday but would be dealt with this coming Wednesday. I take it the decision has probably been made.

Hon. Mr. Eakins: Sometimes agendas are pretty full. It will be dealt with soon, I can assure you.

Mr. Rowe: In the fullness of time, I expect. We will anxiously await the surprise announcement of the new chairman.

Hon. Mr. Eakins: Whatever the decisions are, I am sure they will be very good decisions.

Mr. Rowe: I am sure they will be Liberal decisions.

Hon. Mr. Eakins: The important thing is that all citizens across the province have an opportunity to serve.

The Vice-Chairman: I thought the member for Lake Nipigon (Mr. Pouliot) had a question on the bilingual film.

Mr. Pouliot: No, I did not. It was refreshing to hear that 20 per cent of the visitors to the St. Lawrence Parks Commission were from Quebec; hence, the importance of presenting the film in both languages. It speaks highly of the intent and direction. The point was well taken.

I thought you were going to quiz me on the difference between a blue tie and a red tie, Mr. Chairman. I was going to say only that the more things change, the more they remain the same, except that you threw in a new wrinkle by saying that people no longer get fired, it is just that the appointment time runs out and they are no longer reappointed.

The Vice-Chairman: You are not suggesting that members should be wearing the hockey sweater with the three colours.

Mr. Rowe: I notice the member is wearing a tie in four colours. It is probably in the accord that you had to wear those ties once a month.

Hon. Mr. Eakins: The critic and I have blue shirts.

Mr. Rowe: Maybe they came from the ministry, leftovers.

Hon. Mr. Eakins: We have to use up the supply.

Mr. Rowe: Absolutely. You are being frugal. I could not agree more.

The Vice-Chairman: Are you not thankful I am wearing a neutral colour this morning?

Mr. Rowe: In colour only, Mr. Chairman, I might add.

The Vice-Chairman: Mr. Rowe, anything further?

Mr. Rowe: I have nothing further.

Hon. Mr. Eakins: Since there is only one other person from a distance, Mr. George McCabe from the Ottawa Congress Centre, I wonder whether anyone had any questions with regard to the operation of that centre.

The Vice-Chairman: Before we move on to another item, shall we vote 2903-4 carry?

Item 4 agreed to.

On item 8, Ottawa convention centre:

Hon. Mr. Eakins: Mr. George McCabe, the general manager, is here if there are any questions.

The Vice-Chairman: Are there any questions from committee members?

Mr. Sheppard: How many are employed at the Ottawa convention centre?

Mr. McCabe: There are 42 employees.

Mr. Sheppard: How many part-time employees?

Mr. McCabe: It can vary from one to 500 depending on what is happening in the building. We hire a lot of part-time people, for example, in food and beverage operations.

Mr. Sheppard: How much advertising do you do?

Mr. McCabe: This year our budget is \$233,000.

Mr. Sheppard: Do you send brochures to the United States and the rest of Ontario?

Mr. McCabe: All over the States, all over Canada and all over the world for that matter.

Mr. Sheppard: How can you do this for \$233,000?

Mr. McCabe: Our market is very limited. For example, in Canada there are probably only about 300 associations we will solicit that fit into our building. We do not solicit anything that can fit into a hotel, for example, so by and large we only solicit conventions with an attendance between 1,000 and 2,500 persons.

Mr. Sheppard: A good way to advertise is to use little buttons or pins when you go to another convention. I presume you have these pins?

Mr. McCabe: We do not have pins, but we have considered all kinds of promotional items. When the building was being developed, there were all kinds of what I would consider gimmick promotional items that were sent to potential customers.

Mr. Sheppard: What gimmicks do you have?

Mr. McCabe: There was a little bottle of earth in a preserve jar and it said, "This is the latest dirt from Ottawa." It went over very well.

Mr. Rowe: I assume you have discontinued that since the new government took over.

Mr. McCabe: Yes. We had a little Grenadier Guard, which is the same as the changing of the guard, that sort of thing.

Mr. Sheppard: What are your expectations for this year?

Mr. McCabe: We hope to increase our occupancy from 42.8 per cent to around 52 per cent, which is very good considering we have been open for only two years.

Mr. Sheppard: If you only had 42 per cent occupancy in the last year and you are going to 52 per cent, you will be losing money. There is no

harm in setting your goals high. Why do you not set your goals a little higher?

12 noon

Mr. McCabe: You have to consider that this is real occupancy. You have periods, for example, from December 23 to half way through January, when if you have a convention centre in Hawaii, it will be empty. The months of July and August are also very quiet.

Then you have move-in days and move-out days where you are not paid for the space. When I talk about occupancy, I am talking about space that has been paid for or that is generating revenue. Space may be occupied, but if it is not being paid for, we do not count it into the occupancy of the building.

Mr. Sheppard: Would you give a good price on a block of rooms if a convention were going to the Ottawa centre?

Mr. McCabe: We do not have bedrooms in our facility. We are attached to the Westin Hotel. Hotels will wheel and deal on rooms depending on the time of the year and how anxious they are for business. If it is on weekends, shoulder months or quiet times, for example—

The Vice-Chairman: I thought the member was leading to another Progressive Conservative convention. Maybe they could pick Ottawa for the new leadership convention.

Interjections.

Mr. Rowe: What percentage has business increased from the inception of the centre to the end of the second year?

Mr. McCabe: In our first year, we came in around 42 per cent building occupancy. This year we will come in around 48 per cent and we hope next year to increase it to 52 per cent.

Mr. Rowe: So you have had a six per cent increase over the first year of operation. I am curious as to the decrease the minister has gifted you with in the operating grant of \$266,000. Why a decrease? Is it running better, have you hired fewer people or is the minister being mean to you?

Mr. McCabe: No, our first-year budget was a \$1.6-million grant. Our second year was \$1.4 million. Our occupancy went beyond our expectations and we were able to trim expenses.

Mr. Sheppard: Is the government thinking of selling the Ottawa Congress Centre in the near future?

Hon. Mr. Eakins: It never entered my mind.

The question of the decrease is interesting. If what is going to the centre is decreasing, that

shows you are operating very well and things are on the increase. That is a good indication. I also want to thank you for the tour of the centre I enjoyed. I will be back in Ottawa on Friday for Winterfest.

Mr. McCabe: Excellent.

Item 8 agreed to.

On item 9, Toronto convention centre:

The Vice-Chairman: Is anyone here from the Metropolitan Toronto Convention Centre? It is a small item.

Hon. Mr. Eakins: Mr. Maxwell is here.

The Vice-Chairman: Are there any questions on the convention centre?

Mr. Rowe: Yes. There was a lot of to-do with respect to the selling of Minaki and the convention centre. Are you at present thinking of selling the Toronto convention centre?

Hon. Mr. Eakins: We are interested in the effective operation of the convention centre, as vocal supporters of the building of the centre some years ago. Our prime consideration at this time is to make sure it operates well and is a major attraction and focal point not only for Metropolitan Toronto but for all Ontario. The first consideration has to be good operation of the centre, that it is reaching the aims and objectives of its being built in the first place.

Mr. Rowe: I concur completely. I believe we were instrumental in building, and actually built, the convention centre. I could not concur more that it is a great boost to Metropolitan Toronto and the province of Ontario.

I am interested in an update on the tax bill of the convention centre. Where does it stand? First, can the minister confirm that the convention centre might have an outstanding tax bill in the neighbourhood of \$4 million to \$5 million, and, second, that there are some problems between municipal land tax and business tax?

If indeed this tax bill is there and is real, what is going to happen to it? Are we going to pay it? If we are going to pay it, where are the funds going to come from?

Hon. Mr. Eakins: Discussions are under way. I would ask Mr. Maxwell if he might enlarge on it, because he has the immediate information on it.

Mr. Maxwell: The answer is yes; there is a tax bill that has been levied by the city of Toronto. It is in dispute at the present time. It is approximately \$3.5 million.

Mr. Rowe: If this tax bill finally does get settled, Minister, and is no longer in dispute,

where will the funds come from in your ministry to pay for it?

Hon. Mr. Eakins: Certainly, if there are funds to be paid, they will be paid by the Treasurer (Mr. Nixon) to the ministry.

Mr. Rowe: Have there been, or are you anticipating, any changes in the board of directors of the centre?

Hon. Mr. Eakins: There is a new chairman in place. There will be no consideration of changes unless there are openings that occur or terms that expire.

Mr. Rowe: Will these positions be appointed or recommended by the regional council?

Hon. Mr. Eakins: They are Ontario appointments.

Mr. Rowe: So they will be appointed by the minister?

Hon. Mr. Eakins: They would be recommended, yes.

Mr. Rowe: I might add that the convention centre has been a great creator of employment and a drawer of American businessmen—not tourists—who want to have their conventions in Toronto. I know, from speaking with some of these men, what a great place it is and how happy they are to have it available in the city of Toronto.

The motel industry is also much more viable in this city as long as that convention centre stays in place. I would hope that, in the process of balancing the budget, or doing whatever the minister is doing, he does not lose sight of these services and the new capital needs that the convention centre will no doubt have as time goes on.

Hon. Mr. Eakins: I just want to add that I am very committed to what the convention centre stands for. It is hard to say in dollars just what the value of that convention centre is, because there is a very great spinoff in many areas.

The reason it was built in the first place was there were many conventions that could not be accommodated in Metropolitan Toronto; the facilities were not there to accommodate them. At the time the building of the centre was being considered, there were some 70 to 80 major conventions that could not come to Toronto because the facilities were not here. I am very much aware of the spinoff and of the importance of the convention centre.

Mr. Sheppard: Mr. Maxwell, with the plans to build the domed stadium in the near future, how will this affect you? I am sure it will affect you positively. What do you see as the long-

range forecast of the domed stadium being built so close to the convention centre?

12:10 p.m.

Mr. Maxwell: First, it is of great advantage to us in being able to be interconnected. The current plans call for an interconnection, a covered, climate-controlled walkway between the convention centre and the dome. It allows us to compete to an even greater degree for very large conventions which need space for large plenary sessions.

For example, in about 1990, we have the Shriners coming in. The Shriners need plenary space for their function. They will fill all 55,000 seats. With regard to their actual meetings, only 1,000 people go to the directors' meetings and things of that nature, so we are able to interconnect the two facilities.

In addition, in the stadium's down months, say January, February and March, we can compete for large international trade shows because we are able to add the field space of the dome, which is approximately 140,000 feet, to the 200,000 feet we have. It gives a fairly large facility. Some of our customers are even considering expansion into the dome when it opens—the international auto show, the national toy show and things of that nature.

Mr. Sheppard: One last question. Do you think there could be major problems with regard to traffic and parking facilities?

Mr. Maxwell: The answer is yes. There is a traffic problem. There is a traffic problem in all of downtown Toronto. The plans for the extension of Simcoe Street south to the Lakeshore under the tracks; and for Front Street to be extended across the tracks and hooked on to the Gardiner Expressway near Strachan Avenue, will help to eliminate that traffic problem.

With regard to parking, there are sufficient parking spaces in the general area. It will be an educational job to train people to leave their cars at home or park 10 minutes away and walk, but there are sufficient parking spaces. The new trend in the building of stadiums in downtown areas—Minneapolis is a good example—is to provide no parking and to use the downtown parking facilities because they are not in use at night and rarely in use on the weekends. More efficient use of those parking spaces and increased use of the public transportation system helps to improve that situation. It will be difficult to train people to do these things, particularly the visitors from out of town.

Mr. Sheppard: Thank you, Mr. Maxwell. That is the first real explanation I have heard in a long time.

The Vice-Chairman: You have to have an expert to get it.

Mr. Bernier: One of my questions on the traffic problem and the parking problem has already been answered, so I will not repeat it. In passing, as one who enjoyed the Coliseum last year and also your facilities, I want to compliment you. I must say the quality of food is much improved. It is 100 per cent. Keep the grade going up. It is most satisfactory and I have enjoyed it very much.

Mr. Maxwell: Thank you.

The Vice-Chairman: Are there any further questions from committee members?

Mr. Pouliot: I wish to echo the sentiment expressed by the member for Kenora. It is certainly a world-class facility.

The Vice-Chairman: Shall item 9 carry?

Item 9 agreed to.

The Vice-Chairman: Now, Mr. Grande, I guess we can finally accommodate you.

Mr. Grande: I would appreciate it very much.

The Vice-Chairman: I do not see it listed there, but I gather it is somewhere under miscellaneous.

Mr. Bernier: Do you have the last question for the 12:30 cutoff? Minaki is far away; if you have dealt with Ottawa.

The Vice-Chairman: It is too far away. That is the problem, Leo. We were trying to accommodate Mr. Grande here.

Hon. Mr. Eakins: The rest are based in Toronto, so I am at your pleasure—whichever way you want this to go.

The Vice-Chairman: It is up to you, Tony.

Mr. Grande: Go right ahead. We do not want people in Minaki Lodge to come here next week. They are residents here.

I would appreciate if we can deal with the Ontario Lottery Corp. since the people from the Minaki Lodge are residents here.

The Vice-Chairman: Actually there is an area under vote 2905 of lottery grants, you probably could pick—it is under here.

We will let Mr. Bernier continue.

Mr. Grande: As I said, as pointed out to me by the minister, the people from Minaki Lodge are residents in Toronto so they do not have to travel far. I would appreciate it if we can deal with the Ontario Lottery Corp.

The Vice-Chairman: We will let you get into it.

Hon. Mr. Eakins: Let us go ahead—Mr. Morris is at the table—with whichever you wish. It does not matter to me.

Mr. Grande: This year is the 10th anniversary of the Ontario Lottery Corp., and we are dealing here not with a multi-million-dollar enterprise, but with a multi-billion-dollar enterprise. Your annual reports seem to be very explicit in terms of the amounts of funds generated, the amounts of funds spent and the payments that are made to the Treasury of Ontario.

Taking a look at page 22 of your 1984-85 report, I notice that in almost every game from 1984 to 1985, there has been a decrease in payments to the Treasury for almost every game from 1984 to 1985. Is there a reason for this?

For example, with Wintario, we are talking from \$40 million in 1984 to \$29 million in 1985; Lottario, from \$76 million to \$67 million; the Provincial seems to be constant; the Super Loto from \$15 million to \$14 million; and then we have a tremendous jump in the Lotto 6/49. What are the reasons for the decrease to the Treasury from these other games?

Mr. Morris: The business of the Ontario Lottery Corp. is very much like most companies that have multiple product lines. We have six games at the moment. The biggest and second newest is Lotto 6/49. In the lottery business, there is a normal evolution. We started 10 years ago with one game, Wintario. It is a phenomenon in the lottery industry that 10 years later we can still keep that game going; in fact, in the current year our sales in that game will be about \$100 million, which is still a lot of money in anybody's language, although the game is down.

You do get swings with players swinging from one game to another. What we call the passive games—Wintario, the Provincial, Super Loto—are in sort of a decline cycle. It was for that reason we introduced Lotto 6/49 about three years ago, and two years ago we introduced the Instant Game. Of course, these sales on the new games far outstrip the losses we have suffered on the old games, so if you look at the overall picture of the Ontario Lottery Corp., our sales and profits have been trending upward every year.

To look at Lottario, that is a game that sells for the same price as Lotto 6/49. The prize is much smaller, yet we have been able to pretty well hold our position with it. Our profits were down last year, and they will probably be down a bit this year because we are investing heavily in new equipment. We are building a new data centre, we are buying new terminals, and under the government accounting regulations, those ex-

penses are expensed-off in the year in which they are incurred, so this is really a capital expenditure that gets reflected in current income.

12:20 p.m.

Mr. Grande: What I am driving at is games such as Wintario, Lottario and Super Loto have decreased in sales and as a result, decreased the net profit that goes into the Treasury of Ontario. I understand you are saying the net profit that goes into the Treasury increased from \$217 million last year to \$250 million this year, but is there any pressure from the government on the corporation to invent a new game so that net profits into the Treasury keep increasing?

I notice it is starting off this year with a tremendous jump from \$2 million to \$26 million. Is that kind of pressure there? We are always reminded that when a body, an entity, gets used to a diet, it wants to increase, not decrease, that diet.

Mr. Morris: Lottery tickets are a sensitive product in any jurisdiction. I have never felt any pressure to extend sales at all costs. The board of directors and staff of the corporation take seriously the responsibility of running the corporation efficiently with a reasonable sales growth.

We want to be conscious of our social obligation in that area. We do not get pressures to meet a certain figure, but the numbers we submit to our board and in turn to the minister are always, if you will pardon my saying, pretty gutsy, and we have been able to meet them.

You refer to two games that are down this year from last year: Wintario and Super Loto. We do not sit idly by while a game declines. We are in the throes right now and very shortly will be announcing dates for a relaunch of both Wintario and Super Loto.

Mr. Grande: As a result of the increase in the number of games, is the corporation not providing competition for the other games, such as Wintario and Super Loto? There is only a certain amount of money people can spend on games.

Mr. Morris: We are limited to six games at the moment. In the past in general terms, we have been able to launch new games and not seriously hurt other games.

If we look at Wintario, I think our biggest yearly sales was something like \$165 million. Since then we have launched two new games: Lotto 6/49 and the Instant Game. This year we will probably end up around \$350 million in sales for Lotto 6/49 and \$150 million in sales for the Instant Game. We are talking about an increase of half a billion dollar in sales at a time when we

are dropping about \$65 million in Wintario. I think that is a good tradeoff.

People are people. No matter what, some will not play any game but Wintario; others like to play other games and some like to play more than one game. We try to cater to the broad market spectrum, because one mistake lots of people make is thinking a lottery is a lottery, that it does not matter which it is. That is wrong. There are definite segmentations to our market and we try to cover the market. We think we have covered it now.

The only type of game we do not offer in Ontario is daily numbers. The reason we do not is that we do not see a big market for it. It has been played in eastern seaboard cities of the United States, but there has never been a big demand for it here.

Mr. Grande: Do you have any plans for introducing other games this or next year?

Mr. Morris: I do not have any plans for introducing new games. We constantly are upgrading and changing existing ticket games. We do not have to change games like Lotto 6/49 and Lottario because they tend to drive themselves. If sales start to drop off, the jackpot builds and sales come right back up.

Mr. Grande: As I said at the beginning, the statement you provide in your report is fine. You can account pretty well for your revenue and expenditure. If I may, I would like to ask the minister some questions with regard to this.

The report tells us that in the last 10 years \$1.3 billion has gone into the Treasury. As one who has been very interested in this process, in the Ontario Lottery Corp., I find it has been virtually impossible for me to keep an accounting of where these proceeds go after they go to the Treasury. The capital and noncapital grants are spread all over the government.

One would need two or three full-time researchers to do that. Is an accounting procedure or report issued by someone in the government? Can your ministry, which is obviously responsible for the Ontario Lottery Corp., or the Treasury, tell us what has happened to that \$1.3 billion over the past 10 years? How has it been spent? How much has been spent in capital and how much in noncapital grants? What money has not been spent during those particular fiscal years and what happened to it?

Hon. Mr. Eakins: Offhand I can only tell you that I can account for the funds our ministry is responsible for. They are put into the consolidated revenue fund. You want to know where the other funds have gone? They have been put into

such things as health care, environment, education, labour research, community and social services, homes for the aged and the Trillium Foundation, which receives \$15 million per year. There are many areas to which that money is allocated. I am sure we can provide that information for you.

Mr. Grande: The reason I am taking this line of questioning is that in the past I have put a series of questions in Orders and Notices and the answers I received were unsatisfactory, to say the least.

For example, through the Treasury, the Treasury answers that for the year 1982-83 the amount generated by Lottario and not distributed as grants in the 1982-83 fiscal year amounted to \$39,675,773. The logical question to ask is, where is that money? What happened to it? Where is it going?

In the past, people across this province have been concerned about the potential misuse of these funds. It has been called at times a political slush fund, but I do not want to impute any motives on anybody. To what use do they put this money?

Mr. Bernier: You come very close.

Mr. Grande: Once they go through Treasury, to what use are these moneys put?

Since we have a new administration to begin anew with this process, would you agree that there should be some kind of annual report to the Legislature on how these proceeds have been disposed of?

Hon. Mr. Eakins: These funds are allocated through the estimates process. The purpose here today is to question the operations of the corporation. Its mandate is the successful operation of the Ontario Lottery Corp. and the raising of funds. From there the money goes into the consolidated revenue fund. The Treasurer, I am sure, can account for where that funding goes. Part of the funding is through this ministry, though it is not under this vote. Under vote 2905, tourism and recreation operations, we will be discussing the lottery funding this ministry receives. We can accommodate you when that item comes up.

Mr. Grande: I understand. If you are asking me to ask those questions of the Treasurer, that is fine. I will do that.

Hon. Mr. Eakins: I do not have responsibility for that funding.

12:30 p.m.

Mr. Grande: I would like to get some kind of understanding from the minister whether he

would be in agreement that on a yearly basis there should be some kind of reporting mechanism to the Legislature on how those funds that come to the Treasurer from the Ontario Lottery Corp. are disposed of.

I am responsible as critic for the Ministry of Citizenship and Culture. I know there is lottery money that goes in certain items of the budget for the Ministry of Citizenship and Culture. However, I am not responsible for all the other ministries of this government. For me to do that would be a mammoth job. Therefore, is it possible to have some kind of report from the Treasury of the new, resolute ministry in this regard, so that we would have a clear accounting of how the money that comes from the Ontario Lottery Corp. is disposed of, what has been spent, what is happening with our money, etc?

The Vice-Chairman: I am sure the auditor's report outlines that in some detail for the member.

Hon. Mr. Eakins: I will take it to the Treasurer to endeavour to get you more details. We know where a great deal of the funding goes. I have some of those figures where the approved funding goes into the consolidated revenue fund.

The Vice-Chairman: I am running into difficulties. It is past 12:30 p.m. and I have four members who wish to ask supplementary questions: Mr. Sheppard, Mr. Pollock, Mr. Pouliot and Mr. Rowe. How do you want me to proceed? Do you want to adjourn and carry it over until the next sitting?

Mr. Rowe: If they are brief questions, perhaps we can clean them up. I cannot see us bringing the honourable gentleman back for two or three questions. If they are brief and Mr. Sheppard does not get into a long drawn-out debate about Hastings-Peterborough, we can probably finish up now.

The Vice-Chairman: I hope you both keep that in mind.

Mr. Rowe: Mine will be brief.

Mr. Sheppard: I would like to congratulate Mr. Morris on the fine job he has done in the past. I have phoned him on numerous occasions wanting things for Northumberland, but he has said, "These are the rules." Sometimes I do not agree with him, but I think he has consoled everybody.

Is he going to have some new little pins to help advertise his business, seeing that Kawartha Downs has been closed down and the present government is not doing anything to keep it open?

Hon. Mr. Eakins: I remember the other day when you came before the committee and said you could not get one of your clients a fishing licence.

Mr. Sheppard: Oh, yes. I had one more reference there.

Hon. Mr. Eakins: It was easy. It is already in the mail.

The Vice-Chairman: What was that question?

Hon. Mr. Eakins: You give up pretty quickly.

Mr. Sheppard: Yes, but I have another question.

The Vice-Chairman: Direct it to me, please.

Mr. Sheppard: Some of the horsemen have suggested that if Kawartha Downs was running, more people would go there to bet. They also say most of the people who go to Kawartha Downs to bet and most of those who buy lottery tickets have only so many dollars. If they did not go to the racetrack, they would spend more on lottery tickets. The racetrack people are saying they are spending too much on lottery tickets and not enough at the racetrack. What is your comment on that?

Mr. Morris: Mr. Sheppard, I want to say I am relieved about your question because I thought at first you might be going to ask me if the lottery corporation was going to get into the horse racing business as Loto Québec is. I really do not want that responsibility.

Track operators often say lotteries are draining away the revenues of the tracks, and they face many other problems. It is true that horse players buy lottery tickets, but a large percentage of the Ontario population buys lottery tickets. One survey done across Canada last year showed that 57 per cent of the people of Ontario buy lottery tickets on a reasonably regular basis.

The tracks have other problems. They are in the entertainment business and so are we. There are many demands on the entertainment dollar; I could not help but hear earlier the various things being done at Canada's Wonderland and Ontario Place. Certainly, 35,000 people at a baseball stadium on a Saturday or Sunday impinges on the attendance of people at the tracks. We have never seen a direct correlation between lottery buying and track attendance.

One of the problems is that horse racing is getting expensive. I am not an avid track-goer. The last time I went I could not help but think that, by the time I paid to get there, paid to park, paid to get in and placed my first \$2 bet, I had

probably spent about three weeks of the lottery money I normally spend. The problem is the way the product is being marketed.

Mr. Sheppard: I have discussed this with quite a few people who claim that when Lotto 6/49 goes up and somebody wins from \$8 million up, that is too much for any one person to win.

Hon. Mr. Eakins: Especially if they do not win.

Mr. Sheppard: They do not feel it should be run that way. They think you should have several prizes perhaps of \$2 million each. What is your reaction to that? I think I know—people would stop buying if you cut it off at \$1 million or \$2 million for each bet.

Mr. Morris: If you want a personal answer, I agree that \$10 million is too much to pay to one individual. However, we are victims of the game in that, once the number of winners is known, we cannot change that. We cannot create other winners. The basic design of the game is controlled by the Interprovincial Lottery Corp., which involves all 10 provinces. On more than one occasion we from Ontario have registered our objections to the current system, but we have not been able to get a consensus. The stumbling block we always face in countering arguments from the other provinces is there is no disputing the fact that sales escalate when the size of the jackpot goes up. In most areas of this country, the governments need the revenue and do not want to lose it.

There are other ways of distributing that prize money. We have tabled them, but we have not yet been successful. We will continue because we hear this comment quite frequently; I know my minister does as well. When Lotto 6/49 was set up, Ontario proposed a design that would cap the jackpot at \$3 million. Subsequently, we tried \$5 million and we still did not make it.

The problem comes when you get a big jackpot, as we did a few weeks ago at \$10.2 million. Considering the sales volume across Canada, we should have had three or four winners. If we had had three or four winners, we would have been fine because they would share that jackpot. They might have received \$2 million each. However, once those numbers come down and the winner is determined, there is nothing I or anybody else can do about it.

Mr. Rowe: What safeguards do you have to ensure we do not have a repeat performance with the American who thought he had won Lotto 6/49?

Mr. Morris: There is nothing I can do to prevent somebody from thinking he has won a lottery. I do not mean to be facetious. It is a problem we at the lottery corporation have been wrestling with for some time and I hope things are going to change. We have a bad situation. I do not want to speak for the minister, but I am sure he shares these sentiments. I hope we will have changes. However, when somebody thinks he has bought a ticket and he has not, these situations involve mistakes.

Mr. Rowe: Intercountry, American-Canadian purchase by telephone is specifically what I am interested in. Can anything be done?

12:40 p.m.

Mr. Morris: Legislation would have to be put in place to deal with it. At the moment, the position of the Ontario Lottery Corp., based on advice from its solicitors, is that what these people are doing is illegal. It is an esoteric legal argument and would be difficult to prosecute. The situation is being reviewed and I think we will get it entirely in hand.

Mr. Rowe: Does the minister have thoughts of tying in horse-racing results with lottery purchases on a number basis in the future, as Quebec does?

Hon. Mr. Eakins: No. As for the situation Mr. Morris was answering about, that is currently under active review and we are considering a means of resolving the problem.

Mr. Rowe: How is the process arrived at with respect to printing contracts for tickets of Wintario, the Provincial and the rest? How does one go about getting a shot at winning an award for a printing contract for these tickets?

Mr. Morris: In the past year, both the Wintario and instant game printing contracts have come open. In both cases, advertisements were run. We issued what we call an RFP, request for proposal. In the case of the instant tickets, the most recent one, six companies submitted proposals. The staff assessed the proposals. The board of directors has a subcommittee, of which I am a member that, together with the staff, reviews all proposals with the suppliers. We use a complex assessment because we cannot just buy the lowest price. We have to worry about security, security of supply and all those things. On that basis, the subcommittee of the board makes a recommendation to the full board, and the full board considers the report of the subcommittee and makes a final award.

Mr. Rowe: Is there one organization that is the giant amongst them all and pretty well controls the market with respect to printing tickets?

Mr. Morris: In Canada, at the present time three corporations print lottery tickets. The biggest is British American Bank Note Inc. Another we have been using for Wintario is Canadian Security Printers Inc., a subsidiary of Canadian Bank Note Co. Ltd. There is also a company in Winnipeg, Pollard Western Bank-note Ltd.

Scientific Games Inc., an American company in the instant games business, is the largest in the world. It had an operation in Canada. It was our supplier and its tickets were printed by Southam Printing Ltd. Then there is Moore Corp. Ltd., which prints lottery tickets in the United States and is looking to come into Canada. They had some problems with their RFP that recently passed through us.

Hon. Mr. Eakins: I have taken a close look at this and I am quite satisfied with the process.

Mr. Pouliot: Is the minister satisfied with the procedure regarding allocation of distributorships for lottery tickets? If he is not satisfied, what changes does he plan to make?

Hon. Mr. Eakins: We asked the corporation about the awarding of distributorships. Its response is that whenever there is an opening for any reason for a distributorship, it is advertised and anyone can apply who feels he qualifies. The corporation assesses applications received without any interference from myself or our ministry.

Mr. Pouliot: I am not the one saying this, but my conscience dictates I raise this question because some people have used the term "pork-barrelling." Rumour has it that allocation of distributorships was used as a mechanism or vehicle to reward friends. I was appalled. I do not believe it so I am not letting the question float as an accusation. However, that is the way rumour has it and one has to satisfy one's constituents that everything is above board.

Hon. Mr. Eakins: I can assure you that since I became minister, there has been no pork-barrelling and no interference. The process is open and will remain open.

Mr. Pouliot: We do not have to change our award; we know which type to buy.

Hon. Mr. Eakins: Anyone can have an opportunity and one does not reach into a small barrel. Everyone has an opportunity.

Mr. Morris: I would like to respond to Mr. Pouliot. The senior staff and the board of the Ontario Lottery Corp. take the appointment of distributors very seriously. Our main concern is to have someone who can sell tickets. If they cannot sell tickets we are out of business. The

committee of the board that sits on interviews, senior sales staff who are involved and myself, are concerned that we get the best person possible.

I am aware the Toronto Star ran an article saying it had found four people who belonged to one political party. We have other distributors who belong to other parties. One question we never ask a candidate for a distributorship is, "What are your politics?" Politics do not indicate whether a person can sell tickets.

The Vice-Chairman: Before the committee leaves, I have two items—

Mr. Grande: Do some distributors belong to other political parties?

Mr. Morris: Yes.

Mr. Grande: How do you know?

Mr. Morris: Members have called me up to tell me that somebody in their riding is of a different persuasion.

Mr. Grande: Oh, that is the way.

Mr. Morris: I never ask them.

Mr. Pouliot: Who told them to call you?

The Vice-Chairman: Committee members, there are two items here, items 5 and 6. We called for somebody from the St. Clair Parkway Commission. Apparently they are not here today. There is also Thunder Bay Ski Jumps.

Items 5 and 6 agreed to.

The Vice-Chairman: We will leave the big one, item 7, resort development, for when Mr. Bernier is here next Thursday morning at 9 a.m.

Mr. Bernier: Before we wind up, can I say a brief word to the minister? The people of Ontario are very pleased with the calibre of the civil servants and the people who are running our crown corporations. We have heard some excellent presentations this morning. They are doing a great job. You have a great staff. I tell you that with a great deal of sincerity. They are super people. I hope you are not planning a purge, as you did with the Minaki board.

Hon. Mr. Eakins: I am not planning any purge whatsoever. The only comment I will make is that when there are opportunities and vacancies, everyone across the province should have the opportunity to serve.

You will find that in any area of my responsibility that will be given consideration. I have visited a number of areas and I am aware of the excellent contributions these people are making. Some have voluntarily asked to be replaced. The total province should be represented and that is the way it will be. As far as I am concerned, there is no purge whatsoever.

Mr. Bernier: That is what I like to hear.

The Vice-Chairman: It is time to adjourn. We have about two hours and 12 minutes to finish the estimates.

The committee adjourned at 12:50 p.m.

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 Grande, T. (Oakwood NDP)
 Haggerty, R., Vice-Chairman (Erie L)
 McGuigan, J. F. (Kent-Elgin L)
 Miller, G. I. (Haldimand-Norfolk L)
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 Pouliot, G. (Lake Nipigon NDP)
 Rowe, W. E. (Simcoe Centre PC)
 Sheppard, H. N. (Northumberland PC)

From the Ministry of Tourism and Recreation:

Barrett-Hamilton, J., General Manager, Huronia Historical Parks
 Brock, R. L., Director, Tourism Development Branch
 Cook, R., General Manager, St. Lawrence Parks Commission
 Cooper, V. J., General Manager, Ontario Place Corp.
 Keenan, J. W., Deputy Minister
 Maxwell, J., President and Chief Executive Officer, Metropolitan Toronto Convention Centre Corp.
 McCabe, G., General Manager, Canada's Capital Congress Centre
 McCall, A., Director, Tourism Marketing Branch
 Morris, D. N., President, Ontario Lottery Corp.
 Sharpe, P., Executive Co-ordinator, Tourism and Recreation, Operations Division
 Weber, A., General Manager, Old Fort William



No. T-4

Hansard

Official Report of Debates

Legislative Assembly of Ontario

Standing Committee on Regulations and Private Bills
Estimates, Ministry of Tourism and Recreation

First Session, 33rd Parliament
Tuesday, February 11, 1986

Speaker: Honourable H. A. Edighoffer
Clerk of the House: R. G. Lewis, QC

Published by the Legislative Assembly of Ontario
Editor of Debates: Peter Brannan

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Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON REGULATIONS AND PRIVATE BILLS

Tuesday, February 11, 1986

The committee met at 3:59 p.m. in room 228.

ESTIMATES, MINISTRY OF
TOURISM AND RECREATION
(continued)

Mr. Chairman: The clock is running.

Mr. Rowe: I assume we will be dealing with vote 2902, to finish that off.

Mr. Chairman: We can either deal with vote 2902 or finish the final item on vote 2903. Perhaps that would clear that up. We voted on everything except item 7; so perhaps that is the place to start.

Mr. Rowe: We have not yet voted on vote 2902 at all, have we?

Mr. Chairman: No.

Mr. Rowe: Do you wish to deal with vote 2902, item 3, now?

Mr. Chairman: We have all of vote 2902 to deal with. Do you want to start with that? Is that the wish of the committee?

Mr. Haggerty: I thought we were holding things over until we got into the recreation, sports and fitness program. I thought we were going to have the representatives in from the ministry on this vote.

Mr. Chairman: That is actually vote 2904. We could deal with vote 2902.

Mr. Haggerty: Vote 2904, the recreation, sports and fitness program; I thought the staff would be here today.

Mr. Chairman: If it is agreeable to all, we will finish up vote 2903; we have voted on everything there except item 7. Perhaps we can start with that; then we will go back to vote 2902 and do that vote as well as votes 2904 and 2905. Is that acceptable to the committee?

Mr. Haggerty: Vote 2903, item 7, is that it?

Mr. Chairman: Yes.

Mr. Haggerty: I agree to that.

On vote 2903, parks and attractions program; item 7, resort development:

Mr. Rowe: Is this the section where we deal with Minaki Lodge?

Mr. Chairman: That is correct.

Mr. Rowe: Further to the question of my colleague the member for Kenora (Mr. Bernier)

in the Legislature concerning the board of directors for Minaki, I would like to repeat for the record his comments regarding Robert Rubinoff, the former chairman and former chief executive officer of the Holiday Inn; Eugene D. Nori, a hotel owner from Sault Ste. Marie; Elizabeth Conway, a resort operator from Collingwood; Don Viinikka, a highly respected accountant from Kenora; and Jim Young, a lawyer from Thunder Bay with hotel experience.

The minister will agree this board consisted of directors who were picked because of their outstanding abilities in the resort management field. They were selected from across Ontario with no thought to political ties or affiliation, they are all highly respected in their own areas of expertise. The minister has replaced this competent board with people such as Fraser Dougall of Thunder Bay, who some say has provincial Progressive Conservative leanings, although some say he has federal Liberal leanings; I am not sure, however.

In addition, the minister has added Dr. Peter Dellamere, who is a federal Liberal-Labour campaign manager for the Kenora-Rainy River riding; Len Compton of Kenora, who is a vice-president of the Liberal-Labour association; Gordon McTaggart of Fort Frances, who was a campaign manager for the Liberal candidate in the May 2, 1985, election; and Velma Skillen of Dryden, who comes from a strong Liberal background.

The minister stated previously that the previous board had not been fired. Right?

Hon. Mr. Eakins: Yes.

Mr. Rowe: Is it correct, then, that their term of office expired?

Hon. Mr. Eakins: That is correct, yes.

Mr. Rowe: Then I wonder how your ministry tabled with the Clerk of the House this document, which gives the date of the original appointment.

Mr. Chairman: Could we have a copy? In fairness to the minister, perhaps a copy could be provided to him so he can see what you are referring to.

Mr. Rowe: I have it here. I have only one. I will give the minister the copy I have.

If I may finish, the Clerk of the House tabled this document, which gives the date of the

original appointment and spells out in black and white that there is no expiry date to their appointment. It would indicate to me that they were not released, as earlier indicated; they were actually fired.

Hon. Mr. Eakins: That is right. That is because such appointments do expire. The Corporations Act requires the board to be appointed at each annual meeting. At this annual meeting there were simply changes made.

When you look over the backgrounds of those who served previously or those who serve now, I do not think I have ever referred to the backgrounds or political preferences of anyone. What I have said is that it is important that that part of northwestern Ontario be well represented on the board. I feel that from time to time people from various fields should have opportunities to serve. I see nothing wrong with that.

I do not know the political background of the new chairman of the board, Fraser Dougall. I have never asked him. He was highly recommended for that position because of his interest in that part of the province. I am sure he is going to make an excellent chairman, and I am sure the board members are going to serve well.

The member for Kenora is quoted in the newspaper as saying they are excellent people with great credentials. Other than their political preferences, that honourable member is endorsing them very highly.

Mr. Pouliot: I am again in my usual state of being baffled. I wonder whether the member for Kenora—and I say this with all due respect; I would therefore repeat the same—would have made, not an allegation but the same brief statement were he to have graced us with his presence this afternoon.

I was tickled the last time. Therefore, I expected him to be here physically today. He wanted to discuss the subject of Minaki Lodge, a very controversial matter when it comes to the party with a social conscience, the New Democratic Party of Ontario.

In view of past practice—and in that context I am referring specifically to people who fail to be reappointed when their term of office runs out—it is within your mandate; you have that jurisdiction. It is a task you must perform and address, given qualifications and so on. I do not appreciate the dilemma.

We feel comfortable that you addressed the matter promptly and that the chance to serve was given to other people, notwithstanding contributions made by previous members. We want to wish them well. We know they will serve the

province equally well in whatever field of endeavour or capacity they choose.

I have a question, but I would like to offer a brief prelude. I would not serve my conscience well if I did not relate to you my vivid sentiment that Minaki Lodge was a grave mistake. More than \$50 million of taxpayers' money has been spent, not all of it badly, to erect a monument to honour and sanctify the vanity of previous ministers of the crown. I have no hesitation in saying that.

You know about northern Ontario and more specifically about the needs of northwestern Ontario. When it comes to tourism and recreation, you know we occupy more than 90 per cent of the land in Ontario. The riding I represent covers 28 or 29 per cent of the total land mass in Ontario. We feel the \$50 million allocated over the years to build this Taj Mahal could have been spent more meticulously in other fields of endeavour.

One has only to look at the potential for tourism around Lake Superior, a stone's throw from Highway 17, the Trans-Canada Highway. There is a distance of 500 miles between Sault Ste. Marie and Thunder Bay. In view of the \$50 million spent on Minaki Lodge, someone did not do his homework.

Some people were allowed to expedite the matter. This kind of atrocity should never be repeated. There is no justification in conscience or in being good managers, bringing prosperity to the area. The planning was bad. The style, method and approach to make more money available—"one more time at the well"—made it worse.

In view of these facts—lots of people should blush and not be proud of themselves when we talk about Minaki Lodge—will you make a commitment to review the financial situation as it concerns Minaki Lodge? Will you entertain a plan to liquidate it, to take it from the province and put it on the block for the public sector to bid on or have a look at? Will you consider selling Minaki Lodge?

Hon. Mr. Eakins: The process of review of Minaki is already under way. All your comments will be taken into consideration.

We have to review what Minaki means to that part of Ontario; I have always said that over the number of years I have been in the Legislature. I think I expressed my view as to the development of the lodge. However, we have the lodge. We cannot go back; we have to look forward. We have to consider very clearly what is best for northwestern Ontario and what will bring the best

economic spinoff to that area in terms of employment and jobs. It is very important.

You know we are going to be having a series of meetings to look into how we can help that part of the province as well as northern Ontario. The review process is already under way. I know all the concerns you have raised are going to be dealt with in this review process. When that is completed, we will report to the Legislature on it.

4:10 p.m.

Mr. Haggerty: Following the line of questioning by the member for Lake Nipigon (Mr. Pouliot), I understand the Northern Ontario Development Corp. has a rather large mortgage, you might say, on Minaki Lodge. In its recent financial report, the corporation suggested the Ministry of Tourism and Recreation should take over that debt.

Has the ministry been asked to look at the taking over of Minaki Lodge? What is the position of the ministry with respect to what the corporation is saying about passing it on to that portfolio?

Hon. Mr. Eakins: I am going to ask Fred Boyer to respond. Thank you for being with us today, Fred. On some of the questions the members address, you might be able to give them a more complete answer than I could.

Mr. Boyer: I heard Mr. Haggerty's question. On our books, we have an account payable to the Northern Ontario Development Corp. in the amount of \$5 million, and another in the amount of \$4.5 million to the Ministry of Industry, Trade and Technology. I am not aware of a suggestion that we transfer those liabilities to the Ministry of Tourism and Recreation. We have transferred the shares, however.

Mr. Haggerty: To what?

Mr. Boyer: From the Northern Ontario Development Corp. to the Ministry of Tourism and Recreation in the name of the Queen.

Mr. Haggerty: If you have transferred the shares, I presume the ministry will also pick up the deficit.

Mr. Boyer: I am not sure of the second part.

Mr. Haggerty: Am I correct in that? Is this what will take place?

Mr. Keenan: We would anticipate that the debt owing on the lodge would remain where it is now, with the Northern Ontario Development Corp., which is in the business of carrying that type of debt. There would be no real advantage to be gained in transferring it to the ministry.

Mr. Haggerty: Have you picked up its shares, though?

Mr. Keenan: Yes. This is a matter of the ministerial responsibility having been assigned to the Ministry of Tourism and Recreation, and therefore the voting shares—

Mr. Haggerty: What is the value of the shares? What are we looking at in numbers?

Mr. Boyer: They have no par value, and at the present time a negative net worth.

Mr. Haggerty: I raised that with the minister, because in its report the Northern Ontario Development Corp. suggested the ministry assumed the debt by taking it over. In other words, the corporation wanted to unload it from its portfolio to the ministry. I thought the debt was higher than \$5 million and \$4 million, though.

Mr. Keenan: I could be wrong, but I do not think we have any mechanism to carry that type of debt. Were it to be transferred to the ministry, I would assume that it would be for the purpose of paying off the loan rather than for holding it as a debt. The Ontario Development Corp. is the instrument of government that has the authority to be the banker, if you will, for a debt of that nature.

Mr. Haggerty: The Ontario Development Corp. probably wants the loan paid off, but it wants you people to pick it up and you pay them.

Mr. Keenan: That is altogether possible.

Mr. Pouliot: Mr. Haggerty made a very interesting point earlier. I have problems reconciling the following. If you acquire shares of the corporation and hence achieve ownership, I assume the liabilities and assets would be the order of the day. It is like tales of Houdini: now you see the debt and now you do not. I can well understand the mechanism of the process employed, but what do you do with the debt?

It is paramount that this matter be addressed. Surely someone should come up with a very direct and simple answer. The statutes of Ontario are very simple and direct when it comes to ownership. If you bought shares in my company you would acquire the assets and liabilities. What is going to happen to the debt? Who is going to pay for that?

Mr. Boyer: We have the note payable.

Mr. Pouliot: You have what?

Mr. Boyer: We have notes payable.

Mr. Pouliot: Yes, but if you no longer own it and you transfer the shares of the corporation, what happens to the debt?

Mr. Chairman: I do not think there was a suggestion of transferring the shares. The question was, who should pick up the debt, the Ontario Development Corp. or the Ministry of Tourism and Recreation? That was my understanding of the question.

Mr. Boyer: We owe the Ontario Development Corp. money.

Mr. Chairman: That is right.

Mr. Boyer: They have an asset.

Mr. Chairman: I am addressing Mr. Pouliot's question. He was talking about a transfer of shares. As I understand it, it was simply a matter of the liability being transferred from the Ontario Development Corp. to the ministry. That was the question I understood Mr. Haggerty to have asked.

Mr. Pouliot: I am sorry. That still does not answer my question.

Mr. Chairman: Do you have a new question, Mr. Hennessy?

Mr. Hennessy: On the business of lending money, no doubt the Northern Ontario Development Corp. has taken losses on the substantial amount of loans it has made through the years. That is the lending business. I guess it is more qualified to take the loss than the ministry.

If the ministry gave a grant it is a different thing. I guess the transfer of shares to the ministry is for protection. What is the total amount of money? What ministries have contributed towards Minaki Lodge? You were talking about \$5 million from the NODC. What about the other ministries? What is the total cost of Minaki Lodge? What ministries have donated to this?

Mr. Boyer: The total government contribution to date from several sources to the building of Minaki Lodge is \$33 million. This is the figure we reported to the standing committee on procedural affairs and agencies, boards and commissions. That came from NODC—

Mr. Hennessy: The \$5 million?

Mr. Boyer: Yes. It also came from the former Ministry of Industry and Tourism and a very substantial part came from the former Ministry of Northern Affairs.

Mr. Hennessy: Would it be possible for you to break it down in dollar figures? It is a substantial amount; it all depends on what side of the vote you are on.

Mr. Boyer: The contribution from the Ministry of Northern Affairs for capital during the reconstruction that took place between 1980 and

1983 was \$23 million. That, added to the other two figures I gave earlier, approximates the \$33 million.

Mr. Chairman: Are there any further questions? I remind the committee that we had some two hours and 13 minutes left when we started. Of course we do not have to consume all that on this item; I would urge the committee not to do that. At the moment, we have spent roughly an hour and 45 minutes. In addition to this, we have three further items to deal with.

Mr. Pouliot: When is Minaki Lodge open during the year?

Mr. Boyer: It is open from late April to early November.

Mr. Pouliot: What is the occupancy rate?

Mr. Boyer: In 1985 the occupancy rate was 72 per cent.

Mr. Pouliot: Was it 72 per cent for a period of five months, six months or what?

Mr. Boyer: For 200 days. It is six months plus.

Mr. Pouliot: I appreciate that we do not have the overhead for the full year; nevertheless, on a year-round basis would we be talking about an occupancy rate of 45 or 48 per cent?

Mr. Boyer: I think it would be a little less.

Mr. Pouliot: Out of the 72 per cent occupancy during those months, would you be able to tell us what percentage of that would be made up of provincial entities? I am talking about provincial government functions—different ministries or municipalities attending and so forth. Do you have that figure or a ball-park figure offhand? It need not be too precise.

4:20 p.m.

Mr. Boyer: No, but I can make a general comment. We do not get very many, if any of those. I am trying to think of any province-wide group meeting there. The reason for that is that we are at an extreme end of the province. I remember a municipal meeting there. Representatives from Cornwall took more than a day to get there. We do better getting federal meetings because in a sense we are in the centre of the country. We do not get government meetings from Manitoba, but we do get trade association meetings from Manitoba.

Mr. Chairman: Mr. Boyer, I understand that Mr. Haggerty can answer that question from Mr. Pouliot. Perhaps you could show it to him.

Mr. Haggerty: I think I should read it into the record so everybody gets the message. It is from the 1984-85 annual report of Ontario Develop-

ment Corp. Item (h), wholly owned subsidiaries, not consolidated, reads:

"The Northern Ontario Development Corp. owns all the issued shares of Minaki Lodge Resort Ltd. and Minaki Development Co. Ltd. The corporations have not consolidated the operations of these subsidiaries because there is an intention to transfer ownership to the Ministry of Tourism and Recreation and any net income or losses of the subsidiaries will not accrue to the corporation."

That means that somebody is thinking of unloading this on the Ministry of Tourism and Recreation and it will assume the shares and the deficit.

Mr. Chairman: That is really in response to an earlier question.

Mr. Keenan: May I comment on that? That is exactly what has happened. The shares held by the development corporation in effect were transferred to the ministry as the shareholder. However, the debt we were speaking of remains with the banker, which is NODC, as would be the case, presumably, with any corporation that borrows money. The shares and the banking are not necessarily in the same hands. In effect, the operating responsibility for the lodge through the Minaki organization was transferred to the ministry.

Mr. Pouliot: I do not want to be perverse and obstinate, but I realize the future can last a long time. I do not want to have to come back and say, "You heard it here first." I raise a note of caution. There is a sense of déjà vu. With all due respect, somebody is left holding the bag. If we go by past practice and performance, I smell a rat. I am convinced of that at present. I have no other way to say I am not convinced.

There is an obligation when assets are acquired. This is collectively our baby. We will be watching closely to see how much provincial money is spent satisfying the obligations under this debt supplementary to the ongoing cost, because from the figures we are getting there is an ongoing deficit. This thing will never make money.

I will conclude for the time being, but we will be watching closely. I fail to be convinced at this time that the government of Ontario will not one day, and soon, be asked to pick up the debt.

Mr. Chairman: Perhaps what you were referring to as this thing could be filed as an exhibit so the record will make sense.

Mr. Pouliot: I make the same mistake in five languages. I apologize.

Mr. Chairman: No, you were just referring to it. So the record will make sense, perhaps that could be given to the clerk and we could have a copy. Are there any further questions, political statements or whatever?

Item 7 agreed to.

Vote 2903 agreed to.

On vote 2902, tourism development program:

Hon. Mr. Eakins: So members are aware, Campbell McDonald is here for this vote in regard to our corporate advertising. If anyone wants to question Mr. McDonald on the selection of the agency of record, the tourism advertising firm, or anything else having to do with the advertising, this is the opportunity to do so. He is here and available.

Mr. Rowe: What commitment, if any, does the government have to expanding and extending the financial assistance available to the tourism industry through the tourism redevelopment incentive program and the tourism grading program beyond December 31, 1986? As we are all aware, both programs have been extremely productive, as we have witnessed in the economic activity stimulated by each of them since its inception. What plans do you have to carry them on past December 1986?

Hon. Mr. Eakins: TRIP is a very good program. There is a lot of interest being shown in it. I expect the program will continue. We are looking into other programs as well. We hope to have programs in place that are going to be of great advantage to the industry. I expect TRIP, which is very popular and very effective, will carry on.

Mr. Rowe: I am interested in which Board of Industrial Leadership and Development tourism development commitments were frozen when the minority, or the coalition, or the agreement, or the accord government that we have today assumed office. For what specific reasons were they frozen?

Hon. Mr. Eakins: Did you say which programs were frozen?

Mr. Rowe: Which BILD tourism development commitments were frozen?

Hon. Mr. Eakins: I do not think any of them were frozen, to my knowledge.

Mr. Rowe: None of them was frozen when you assumed office?

Hon. Mr. Eakins: Not to my knowledge.

Ms. Bryden: I want to remind the minister of a letter I wrote to him on December 17, 1985, which was also signed by three of my colleagues:

Gilles Pouliot, the critic for Tourism and Recreation; Tony Grande, the critic for Citizenship and Culture; and Bob Mackenzie, the critic for Labour. I do not know whether you recall the letter. I do not believe I have received a reply to it. It is fairly short.

I would like to read it into the record and then perhaps you could comment on it. It relates to the cover of the Ontario Traveller's Encyclopaedia, which was printed as part of your tourist promotion for 1985. The cover had a picture of the Canada's Wonderland park. The letter reads:

"We have noted that the theme park Canada's Wonderland north of Toronto, and the Kingswood Music Theatre in the park, was featured on the front cover of the Traveller's Encyclopaedia, issued by the Ministry of Tourism and Recreation in 1985.

"The NDP opposed the assistance which the Progressive Conservative government gave to the establishment of this theme park on the grounds that it was a project of a giant American multinational corporation, American Taft Broadcasting, and there were no guarantees that it would employ Canadian talent or provide any significant number of jobs beyond low-paid, nonunion positions.

"We also opposed its location on prime agricultural land and in close proximity to Highway 400, which was already overloaded with traffic and would have to be expanded. In addition, we felt that it would compete with Ontario government tourist attractions in the Toronto area, such as Ontario Place and the Ontario Science Centre, into which the government had already poured a great deal of taxpayers' money.

"The International Alliance of Theatrical Stage Employees has reported to us that the Wonderland and the Kingswood Theatre have provided no employment for its members. Apparently, members have applied and received no response to their applications. In fact, the theme park and its theatre has competed against Ontario employers who treat their employees fairly by recognizing the rights of their workers to join a union. The park and its theatre operate under a strict no-union policy as far as their operations are concerned.

"In view of these facts, it seems entirely inappropriate for your ministry to promote a theme park operated by an American anti-union corporation which siphons millions of dollars out of Ontario to American Taft Broadcasting.

4:30 p.m.

"We would urge you and your colleagues in the cabinet to reconsider this policy of promoting this theme park. We would also urge you to strengthen the labour laws which make it difficult for unions to organize the workers in such parks.

"We expect from your government a new approach to the question of promoting Canadian employees in cultural and recreational activities and fairer labour laws."

Would you comment on what you might have written in reply to this letter?

Hon. Mr. Eakins: I regret you do not have the reply at this time. I understand it is on my desk and will be sent to you shortly.

There is a different cover every year. It is varied to show the total experience across the province.

To my knowledge, we do not provide any financial support to Canada's Wonderland. We support Canada's Wonderland in what it does for tourism opportunities. There are 1,200 student jobs available there. It makes a great contribution to the tourism plan of the province.

Regarding labour practices, I have raised this with my colleague the Minister of Labour (Mr. Wrye). Perhaps later I shall have a more complete reply for you.

We must support the various attractions which help to generate a lot of interest and dollars for the province. I have had a look at their videos, which they show in the border states, and their first consideration is the promotion of Ontario. That is encouraging. They do a lot for the province.

As for the other questions you raised, I am sure we shall have a reply for you shortly. I regret you have not had a reply already.

Ms. Bryden: Is it not true that attendance at adjacent or surrounding tourist attractions in Metro Toronto has gone down since Canada's Wonderland came into operation? In a way, that would detract from Ontario's tourism revenues from Ontario Place and the Ontario Science Centre since they are financed and operated by the Ontario government. Has their attendance gone down since Canada's Wonderland was established?

Hon. Mr. Eakins: I do not have any evidence that attendance at other attractions has decreased. I believe attendance at Ontario Place has increased by approximately 20 per cent. Rather than taking away from other attractions, I think a major attraction such as Canada's Wonderland brings more people into the province for the experience. I would find it unfortunate if the location of Canada's Wonderland was at the

expense of others. I do not believe it is, and certainly the experience of Ontario Place does not bear this out. We shall monitor it. During the short term I have been in office, no concerns or complaints have been brought to my attention that would show attendance has been reduced.

Ms. Bryden: The question is a moral one as to whether front-page coverage should be given to a project with a reputation for being anti-union, not hiring union labour and cutting out Canadian performers who are unionized and have not been able to obtain employment there. Should you give it the recognition of front-page coverage?

Mr. Chairman: If I may, my observation is that some of the talent there is Canadian; I think the warm-up acts are.

Ms. Bryden: The voting rights are in American Taft, although there may be some Canadian shareholders.

Mr. Rowe: Last week you mentioned that \$2 million formerly through the Board of Industrial Leadership and Development program has been reinstated. That is now a fait accompli; the \$2 million is back in your budget.

Hon. Mr. Eakins: Yes, it was never taken out.

Mr. Rowe: The \$2 million through the Board of Industrial Leadership and Development was never taken out? Was it just frozen? In other words, you could not spend it until things were reviewed. Is that it?

Hon. Mr. Eakins: Sure, it is still there.

Mr. Rowe: Could you share with me and the committee the former arrangement between the Treasury and your ministry with respect to buying advertising in the United States. The situation that existed, as I understand it, was that the Treasury would absorb the exchange rate. In other words, if you bought US\$10,000 worth of advertising, your ministry was charged in Canadian dollars. Treasury absorbed the exchange.

Hon. Mr. Eakins: That is right.

Mr. Rowe: Could you bring us up to date on that agreement? Is it still in progress? Does it still stand?

Hon. Mr. Eakins: It still stands; that is right.

Mr. Rowe: In other words, this year, when you are going into your marketing in the US, if you are buying \$4 million in American advertising, the Treasury is going to assume the difference between US\$4 million and C\$4 million.

Hon. Mr. Eakins: Yes, that is true.

Mr. Rowe: Was this not frozen by the Treasurer (Mr. Nixon) some time ago, right after you assumed office? Was this agreement not cancelled on a short-term basis by the Treasury?

Hon. Mr. Eakins: I do not think anything was frozen, other than we were reviewing the total process. It is simply a review process. I was just wondering if the director of our tourism marketing branch, Anne McCall, has anything further she wants to add to that.

Ms. McCall: No, that is correct. We have the same amount of spending power after the change in the process as we did previous to that change in process for the US exchange. It is exactly the same spending power.

Mr. Rowe: What would be earmarked this year for marketing on the US side, for promotions?

Hon. Mr. Eakins: You are speaking of next year's allocation?

Mr. Rowe: For 1985-86; it would actually be for next year. Just a rough idea of what we might be spending.

Hon. Mr. Eakins: We can only deal with next year in next year's estimates. We cannot deal with something that—

Mr. Rowe: Can I rephrase that? What are we looking at in terms of this year for American markets?

Ms. McCall: Approximately \$5 million.

Mr. Rowe: Is that US\$5 million?

Ms. McCall: Yes.

Mr. Rowe: Which will cost us C\$5 million plus—

Mr. Chairman: It depends; it varies from day to day.

Mr. Rowe: Well, given the—

Mr. Chairman: As you know, it depends on the action taken by the federal government from day to day.

Mr. Rowe: Thank you, Mr. Chairman, for pointing that out. It certainly enlightens me today. I will share that with my counterparts in Ottawa.

That is all I have on American marketing, but I do have some questions with respect to the advertising agencies that I might want to ask; and you might not agree with me.

Mr. Chairman: Would you like Mr. McDonald to come up for that?

Mr. Rowe: First, we have spoken in estimates earlier about the "Ontario—yours to discover!" campaign and what a great promotion, what a

great tool it was to bring tourism into the province. It was recognized by different awards and one thing and another.

I am interested to know why the minister would terminate the tourism advertising account with Camp Associates Advertising Ltd. when they have done such a superb job, as we have all agreed, of researching, creating and marketing the "Yours to discover!" program. If it was so good, why did we get rid of it?

4:40 p.m.

Hon. Mr. Eakins: Part of the reason is to have new ideas and new opportunities. It was not a case of getting rid of anyone. It was giving everyone an opportunity which they had never had in the memory of anyone in the Legislature. You tell me when there was ever an open competition such as we have had, free of interference, where every agency had an opportunity to respond. To my knowledge, there has never been one—certainly in my 10 years.

The last time there was an agency change, as far as this ministry is concerned, was some 14 years ago. The then minister fired an agency in the morning and hired Camp Associates Advertising Ltd. in the afternoon. The Camp people then held the account for 14 years. We are simply saying we are going to give others an opportunity. If they win the contract, that is fine, let them carry on, but let us give others an opportunity in an open and fair process, without any interference whatsoever.

That is what happened and, as a result, we have the agency of record and we have the tourism advertising agency. If there is a question on the process—

Mr. Rowe: Yes, let us deal with the process. I am interested in a list of the agencies that tendered or expressed an interest in the tourism account, with the names of their principals and the number of years in business. Along with the list, I am wondering when each of the tenders was received by the Advertising Review Board.

Hon. Mr. Eakins: There were two: the agency of record and the tourism account. Mr. McDonald can perhaps—

Mr. Rowe: I am interested in the list of those who tendered or expressed an interest in the tourism advertising account.

Mr. McDonald: It is not possible for me to recall the list from memory, inasmuch as following our advertisement of invitation 46 advertising agencies from across Ontario responded—

Hon. Mr. Eakins: Just for the record, tell them how many invitations were sent out; how many agencies were contacted.

Mr. McDonald: On October 1, the minister caused a letter and a news release to be sent to 250 advertising agencies. Those comprise all the advertising agencies in existence in the province.

Mr. Haggerty: I do not think the previous government had any idea there were that many other advertising agencies out there, except one or two; that is what you are telling us.

Mr. McDonald: We did not entrust these invitations to the untender mercies of Canada Post but delivered them by courier so they would have an opportunity to respond by the deadline that was given.

Mr. Haggerty: Just like a handshake by courier.

Mr. McDonald: The number that responded within the advertised deadline was 46. We then sent a capability questionnaire and a criteria list to those 46, telling them what the tourism marketing branch required in an advertising agency. Of the 46 agencies, 17 responded with full questionnaires, all within the deadline period. The Advertising Review Board then reviewed the 17 applications. They were analysed, and from the 17 seven agencies were chosen as the most capable.

Those seven agencies were then invited to a common briefing session where the principals of all seven, usually the president, the chairman of the board, the creative director and the account director, came to our theatre in the Hearst Block. We had about 35 of the leading advertising executives in Ontario present for an hour and a half presentation.

I outlined the process we were going through and answered all questions. The tourism marketing director and the acting assistant deputy minister of tourism said precisely what was required to service the tourism marketing contract. We answered all questions to everyone's satisfaction.

We then invited these agencies to come back, one at a time, and make capability presentations to the board. Having heard from the seven agencies, we chose four.

In other words, we had a semi-final, and we came down from seven to four. We gave the four finalists another questionnaire to answer, addressing specific needs of the ministry and its tourism marketing program. Again, we heard from those four. We voted, and recommended

unanimously the award of the contract to the agency that came in first.

Mr. Chairman: Does that answer your question?

Mr. Rowe: That is basically what I wanted to know. I was interested in the list of the agencies that were dropped, and the dates that they were—

Mr. McDonald: We can supply that. I cannot do it from memory.

Mr. Rowe: I would be interested in that. Obviously, you cannot get it now. Excuse me for just a second. Could the minister provide a list of the representatives of the Advertising Review Board who attended each of the meetings of the board to prescreen the advertising agencies which tendered the account? Would that be possible?

Mr. McDonald: We can do that.

Mr. Rowe: Can you do that?

Hon. Mr. Eakins: Sure; absolutely.

Mr. McDonald: In the semi-finals—

Mr. Chairman: Excuse me. Would you like that from this gentleman on the record—realizing that we are behind time—or could he provide that in written form?

Mr. McDonald: No problem.

Hon. Mr. Eakins: Whichever, but I think it is very important to have it on the record.

Mr. Haggerty: He should be on the record.

Mr. Chairman: I am sure you will agree, Mr. Haggerty.

Hon. Mr. Eakins: There should be an opportunity to ask any question whatsoever on the process.

Mr. McDonald: At the time of the semi-final, the Advertising Review Board consisted of Mr. Peter Sharpe, the acting assistant deputy minister of tourism; Mr. Greg McKnight, then the director of the tourism marketing branch; Ms. Patricia Jacobsen, executive co-ordinator of the management policy division as a representative of Management Board of Cabinet; and myself, as chairman.

Mr. Rowe: Who is the person responsible for recommending and appointing Mr. Robert Brown—I believe that is his name—to the ARB as the private sector representative? Where does that fall in? Whose jurisdiction was that?

Mr. McDonald: Mr. Brown, who attended as the private sector representative at the finals, is appointed through the Office of the Premier and Management Board of Cabinet. He is a retired executive from the Gulf Canada Products Co.,

whose career in the United States and Canada has been entirely in the marketing and advertising field.

Mr. Rowe: Interestingly enough in this process, there was some work done between Gulf Canada Products and Vickers and Benson. Apparently they have been a client of Vickers and Benson Advertising Ltd. for some years. I wonder if the minister sees any conflict in Mr. Brown's appointment, given the fact that he has done so much business with Vickers and Benson over the past years. Would there be any conflict there at all?

4:50 p.m.

Hon. Mr. Eakins: I do not know of any connection whatsoever. I would think anyone in corporate advertising would at some time or another have come across some of the leading agencies across Canada. It would be impossible not to have come across them, but he was selected as a neutral person not associated with the ministry's selection.

It is a good question, Mr. McDonald. Was there collaboration among the members? Did they make their decisions individually?

Mr. McDonald: Yes. The procedure is to hold a secret ballot.

Hon. Mr. Eakins: They did not get together and say, "Who should we appoint?"

Mr. McDonald: No, it does not work that way.

Hon. Mr. Eakins: That is what I think we should have on the record.

Mr. McDonald: The ballots are folded and handed to me, then I put them on the board. Everybody sees the results.

Hon. Mr. Eakins: They are all done individually?

Mr. McDonald: Yes, and we were unanimous.

Mr. Rowe: Would there be any conflict in the fact that Mr. Brown is a personal friend of Mr. O'Malley who happens to be executive director of Vickers and Benson?

Hon. Mr. Eakins: I do not know of any conflict.

Mr. Rowe: I just wanted to point that out. As I understand it, the appointment of the private sector representative comes from the Office of the Premier. Is that how the system works?

Hon. Mr. Eakins: And Management Board of Cabinet.

Mr. McDonald: The private sector representative will not necessarily be one person all the

time. Mr. Brown will continue to serve until such time as it is possible to add to a pool of private sector representatives so there will be variety in the points of view brought to the work of the Advertising Review Board, in the same manner as Management Board of Cabinet nominates a different person. They have three now who have served on various boards.

Also, each Advertising Review Board panel is made up of two representatives of whichever ministry, agency, board or commission is having its advertising contract reviewed. ARB rotates through a number of individuals from competition to competition. There is not one permanent board bringing its attitudes to the table each time. We find it is salutary to have different points of view as each competition goes forward.

Mr. Rowe: To finalize this, and not to delay or, as we say in the farming industry rethresh old straw—

Mr. Chairman: I thought you were going to say flog a dead horse.

Mr. Rowe: No, that is personal to my heart; I would not want to flog a dead horse.

It is interesting to see the coincidence—and I say “coincidence” obviously after description of the selection—that Mr. Brown is a friend of Mr. O'Malley, Mr. O'Malley is a friend of the Premier (Mr. Peterson) and both the Premier and Mr. Ezrin communicate regularly with all three. A rather interesting coincidence has cropped up in the selection for Vickers and Benson.

Mr. Haggerty: It is like Dalton Camp being president of the Progressive Conservatives.

Hon. Mr. Eakins: I suppose if you eliminated everyone who had some connection with someone there would be nobody left to serve.

I have two questions. Mr. McDonald, was it a similar type of review that selected McKim Advertising Ltd. as the agency of record?

Mr. McDonald: Yes.

Hon. Mr. Eakins: In either one, was there ever any interference from anyone in the selection process?

Mr. McDonald: No, none whatsoever, at ministerial, Management Board or cabinet level. As a matter of fact, we put forth our recommendations without the ministers knowing who our agencies recommended until it reached cabinet level. I was able to brief Management Board by explaining the process and without naming nominees. No one knew in advance who we were recommending because we kept it confidential until the last minute. Nobody was aware whom we had chosen; certainly not before we made the

choice. We were startled to hear a winner had been declared one day before the competition.

Hon. Mr. Eakins: That is right. That was a wild guess. I can assure you there was no change from the unanimous recommendation announced in the House?

Mr. McDonald: None whatsoever.

Mr. Rowe: In actual fact, on a point of clarification, we called it two or three weeks before.

Hon. Mr. Eakins: You called it?

Mr. Rowe: By calling the agency.

Hon. Mr. Eakins: That was strictly reaching into the hat. It is funny that person won only one out of two because he did not call McKim.

Mr. Rowe: Fifty per cent right some of the time is not all bad.

Hon. Mr. Eakins: That is right.

Mr. Pouliot: What a fascinating and yet complex way of doing business this is. I am used to small municipal government where tendering is the order of the day because we touch pretty much every facet in the most relevant form of government.

I have a few questions. When we talk about the semi-finalists and finalists in the selection process, am I to assume by the time we get down to the semi-finalists the terms of reference, the specifications, have been addressed? Can we assume that the seven, eight or whatever number of semi-finalists are left, could meet the specifications, having gone through that process.

Mr. McDonald: Yes.

Mr. Pouliot: How many semi-finalists were there?

Mr. McDonald: Seven.

Mr. Pouliot: They could deliver the goods.

Mr. McDonald: Yes.

Mr. Pouliot: Was the successful candidate the lowest bidder?

Mr. McDonald: No. In the advertising business, all agencies are bidding at the same level because they are working on a 15 per cent commission of the media purchase. There is no such thing as a low bidder except for the agency of record, where we invited bids lower than the traditional 2.25 per cent. If you are doing creative work you are reimbursed for your work on a commission basis. Each agency is at a level.

In capability, we are looking at totally different things. We are looking at the ability, capability and talent of the people available; at the jobs they have done that are similar in nature

to the jobs we require; and at the fact that people who did good work in the past are still available to be put on the account—our account or that of whatever ministry it is—and that they have an understanding of what is required, a sensitivity not only to a particular ministry's needs but also to government sensitivities, such as portrayal of racial diversity.

We look at the ads they have been doing for private sector clients to see whether there is sensitivity to a portrayal of racial diversity and a reflection of this province's evolving society. We look for sensitivity to women's issues. We look for all the things you are moving towards reinforcing in the Legislature. We look at an ad agency and say, "Are these people capable of delivering with that sensitivity the programs we have to provide for the people of Ontario?" It is a very subjective decision the Advertising Review Board makes. It is not based on whether one agency is going to work for less money than another.

Mr. Chairman: Are there any further questions, recognizing we have one hour and 13 minutes left?

Mr. Pouliot: The point is well taken. I recognize the intricacies involved in the selection process. However, given all these criteria, Mr. McDonald, if we were to compare the selection process currently in place for pretty well the same services rendered, what would be the difference in cost compared with the previous methods when there was no such process?

5 p.m.

Mr. McDonald: There would be no difference in cost. It all depends on whatever budget is given to a particular ministry in its estimates process. That would be placed at the disposal of the marketing branch to spend through the talents of the advertising agency.

However, there is money to be saved with the agency of record, which is a purchasing agency that buys all the media space for the government of Ontario and the Ontario Lottery Corp. By choosing McKim at 1.5 per cent, a saving of close to \$147,000 will probably be realized in the first full year of operation, as against the 2.25 per cent commission the former agency of record was charging, which is standard in the industry. It is 15 per cent of 15 per cent. There is a saving there.

If your agency is talented and knows how to choose media properly you will get more bang for your buck in the messages you get out, but it does not show on the bottom line.

Mr. Pouliot: We can respect that. I know time is of the essence, but I would like to make a point. There is a fear here that I think is a collective fear. We like the private system, especially in matters of this kind where it becomes more complex when the terms of reference are spelled out. However, our fear is that once you remove the element of competition it becomes a cartel, a monopoly. We are not satisfied that in yesteryear this was not the order of the day.

Mr. Chairman: Do you mean a private selection or a public selection?

Mr. McDonald: The Advertising Review Board mandate does not stop with the recommendation of an agency for a particular ministry's program. Once the advertising agency develops its first creative concepts, under the new system it must bring them back to the Advertising Review Board. We have an opportunity to see whether it is keeping its promises.

When they make promises to us at the review board and we take them at face value, they have to come back and show us they are doing the things they said they were capable of doing. We have a 90-day cancellation clause written into every advertising contract of the government of Ontario. It allows 90-day cancellation without cause by either party. Parties may cancel on behalf of the client or resign on behalf of the agency. Safeguards are built in.

Mr. Pouliot: A progressive streamlining process.

Mr. McDonald: Yes.

Mr. Rowe: I have a brief question. Mr. McDonald, how long have you been with the ministry?

Mr. McDonald: Since 1974; about 12 years.

Mr. Rowe: What specific steps in selecting the advertising agency were different this year from last year?

Mr. McDonald: That is easy to say. There is a totally open and public advertisement before a competition takes place, so everybody is aware a contract is available. At the end of the process it is publicly announced who won.

Mr. Rowe: On that point, are you saying that last year, when you sat down around the table, no other agencies were involved?

Mr. McDonald: No; but it was never publicly announced.

Mr. Rowe: That is what I was interested in.

Mr. Chairman: We have had a fairly full discussion, unless the minister has something to add.

Hon. Mr. Eakins: It is important Mr. McDonald is here to be questioned. While we might find better ways of dealing with the process later, I am impressed with the opportunity every agency in Ontario has had to take part. A process was in place. There was no interference, no preselection and no one interfering on behalf of anyone. From a ministry standpoint, I can assure you there was absolutely none. I am impressed that at this time there was a full and open process in which every agency in Ontario had an opportunity to take part.

Letters came through after the process to the effect, "Although we were not in a position to be able to participate, we appreciated the invitation." Many said it was the first time they had ever been asked to participate. That alone shows it has been a pretty good process.

Mr. Haggerty: The decision was not made down at the Albany Club.

Hon. Mr. Eakins: It was not made at Bay and Bloor Streets either.

Mr. Chairman: Mr. McDonald, this was an informative, far-reaching process, and certainly was open, as you have indicated. The committee has had a full discussion. We now are going to vote on vote 2902, items 1 through 3.

Mr. Rowe: How many more votes do we have?

Mr. Chairman: We have votes 2904 and 2905.

Hon. Mr. Eakins: I am at your disposal. We have the recreation side, if you want to do it. It is up to you how we use the time.

Mr. Chairman: I did not mean to pre-empt you, if you have another question.

Mr. Rowe: I realize we are short for time. I have a number of questions on marketing. Is there any chance I can get them on the record and they can be answered later?

Hon. Mr. Eakins: Sure.

Mr. Rowe: In the fairness to everyone concerned as to time we will not get—

Hon. Mr. Eakins: If you want to put them on the record I will be delighted to—

Mr. Rowe: I will go through them quickly. I am interested in knowing what royalties, if any, will be paid to Camp Associates by Vickers and Benson or the ministry on any television, newspaper or media purchases that utilize "Ontario—yours to discover!" program ads, which were created, designed and produced by Camp Associates.

Hon. Mr. Eakins: None.

Mr. Rowe: None? So we will continue on with "Ontario—yours to discover!" All right.

Does the ministry or the advertising agency intend to continue using "Ontario—yours to discover!"? We know that. We are going to. That is part of the ongoing plan.

On emerging tourism markets, I am interested in knowing the ministry priority and how it intends to advertise and promote in these markets, and to what extent the private sector in Ontario tourism is supportive of the Ministry of Tourism and Recreation's advertising and promotion initiatives in these markets.

I am also interested in knowing the net benefit that pending equal pay for work of equal value legislation and first-contract arbitration legislation will have on cost-sensitive tourism enterprises throughout Ontario. As the minister has stated before, he is very aware of the labour-intensiveness of this market.

I have two other items. When will the ministry have a spring-summer 1986 domestic and United States consumer advertising schedule prepared for distribution to trade and travel associations?

What is the ministry doing to enhance the return on investment on the thousands of tourism and travel telephone inquiries handled by the head office travel counsellors throughout the year? Specifically, what can and will the ministry be doing to convert these calls and inquiries directly into booked business for the tourism and hospitality industry at the time these calls are received; that is, hard-sell on specific products and services, take and make bookings, qualified referrals, leads, etc.? I am interested in knowing that.

I will not take up any more of the committee's time on this specific section.

Ms. Bryden: We all would have liked to have heard the answers to those questions or to a considerable number of them. When the answers are provided to Mr. Rowe, can they be provided to all members of the committee?

Mr. Chairman: It will make the record complete as well.

Hon. Mr. Eakins: As soon as we get Instant Hansard with the questions we will see the members are provided with the answers. We will certainly see Ms. Bryden is.

Ms. Bryden: I will be interested in the minister's comment on whether equal pay for work of equal value will affect the tourist budget. It could affect it favourably in that there will be a

lot more purchasing power in the hands of women.

Hon. Mr. Eakins: We will respond to the questions.

Items 1 to 3, inclusive, agreed to.

Vote 2902 agreed to.

On vote 2904, recreation, sports and fitness program:

Mr. Chairman: This is one in which I am greatly interested.

Hon. Mr. Eakins: The assistant deputy minister, Mr. Secord, is here with the recreation division and staff. Do the members want to go to questions or do they want any comment from Mr. Secord? Do you want to come up, Mr. Secord, just in case? I do not know whether you have any quick overview you want to give. Over the years, you have often been at the tail end and have not had a chance to respond to very much. Do you have any quick comments you want to make?

5:10 p.m.

Mr. Secord: Most of the members will realize that the recreation division has two primary responsibilities. One is to provide the opportunity for those who wish to participate simply for the fun and enjoyment that comes from that participation and for the personal satisfaction they get from it. The other, in the sports area particularly, is to provide the opportunity for athletes of ability and motivation to be as good as they can be.

In the light of that, you will be interested to know we have the highest participation rate in Canada, and that goes back to the leadership the ministry has been giving. You are also aware that well over 50 per cent of all the athletes who participate for Canada in international competitions come from Ontario. Fundamentally, that is an overview of what we do. We are rather pleased with the results of what has been done.

Mr. Rowe: Minister, you said some time ago your ministry would be stepping up its efforts to encourage clients to modify their facilities so they are fully accessible to disabled persons. Are grants available for this?

Hon. Mr. Eakins: That is part of the capital conservation grants that are available. It is one of the priorities in assisting the various municipalities and organizations that apply for capital conservation assistance. We take into consideration the changing times and the needs of senior citizens and disabled people.

Along with that, I am very impressed with what the ministry is doing in regard to senior citizens and disabled people, not only in assis-

tance to upgrade their facilities but also for the opportunities in the various promotions that are happening across the province, such as the games for the disabled. This year, the first senior citizens games will be in Kitchener this summer.

Mr. Rowe: Was access to those grants available through the Wintario program?

Mr. Secord: Yes.

Mr. Rowe: That being the case, how much money is available and how does it compare with the need? Does it fulfil the need? Is it merely a starting point? We might have an update on that.

Hon. Mr. Eakins: Would Peter Sharpe, our executive co-ordinator from the grants program, like to comment?

Mr. Sharpe: I am sorry.

Mr. Rowe: I am interested in the grants that are available to upgrade and make facilities fully accessible to disabled people, which I assume are funded through the Wintario program. How much money is available and how does it compare with the need you have found?

Mr. Sharpe: This fiscal year, \$3.4 million was available in the new capital conservation program. That has subsequently been increased by \$5 million, which was announced on January 27. Because the need exceeded the funds, the ministry was able to secure additional funds to follow up in response to the applications that came in. There is \$8.4 million this year for that program. As well, an additional \$5 million has been announced for next year for that program.

Mr. Rowe: In the statement to the Legislature on Monday, January 27, announcing the 1986-87 lottery-funded capital programs, the minister referred to \$10 million allocated to the 1986-87 capital conservation program. As Mr. Sharpe has stated, the applications for funding requested under the previous government's program exceeded the funds available. You have decided that \$5 million in the 1986-87 capital conservation allocation will be used for applications already filed this fiscal year. Does this mean you have only \$5 million of new money for the new projects?

Hon. Mr. Eakins: No. It is \$10 million under a new program. About \$19 million worth of applications came in, but with only \$3.4 million a great many people are not going to be accommodated. A lot of communities and organizations could not be dealt with for the \$3.4 million. Rather than waiting and starting up a new program, we felt it was advisable to use \$5 million to accommodate those who would be turned down now and would apply later. Rather

than have them reapply, we are applying \$5 million to that now, and then there will be \$5 million for a later program. It means they are not going to have to wait.

Mr. Rowe: On that point, you said in your statement that applications for grants under the 1985-86 capital conservation program could not be assisted because of funding limits set by the previous government. You stated you have corrected that.

I take it that you have an open-ended policy and are going to meet all requests, regardless of funding limits. In saying you have corrected the problem that was there before, are you now saying you intend to fund every eligible application as it comes to you?

Hon. Mr. Eakins: It is not possible to fund every eligible application.

With all the applications that come in, the \$19 million means we are going to be able to prioritize them and assist more than we would normally. We had to write to them and turn down more of them, but because we were able to get approval for the new program we are going to accommodate more of those who would normally be turned down. That is going to help a lot of municipalities and organizations that really need it.

Mr. Rowe: I agree. I now see where we are going, but I had some problems with your statement when you released this information to the House, saying that applicants for grants under the 1985-86 capital conservation program could not be assisted because of funding limits—those are the two words I am having problems with—set by the previous government.

You stated you have corrected that. Obviously, you have funding limits too. It is not an open-ended policy that all eligible applications are going to be processed.

Hon. Mr. Eakins: We have higher funding available.

Mr. Haggerty: I want to compliment the ministry and Mr. Secord on the Canada Games and the success Ontario had in winning a number of medals in Saint John, New Brunswick. I was near that area, but I did not get a chance to see any of the games. I watched some of them on television, however, and I was very impressed.

One of my concerns is that I have a number of inquiries from the constituency office and the office here in Toronto concerning liability insurance. I do not know whether you are going to have a hot line within your ministry to deal with the recreation, sports and fitness program to

enable you to assist some of these people who are interested in continuing with their sports programs in regard to liability insurance.

I do not know whether you have had any inquiries at your office in this area. Do you have any solution or something to offer those who are making the inquiries?

Mr. Secord: There are two aspects to it.

One is municipal insurance, which really covers the people I talked about earlier, those who play for their own fun and enjoyment. That issue is being addressed at the minister's request through the Parks and Recreation Federation of Ontario. They are developing a position paper which they will be presenting to the minister and through him to the task force on that particular subject.

Of interest also are the provincial sport governing bodies. You are aware of the problem; it was the national ski team which kicked this whole thing off. The minister has directed the Ontario Sport Medicine and Safety Advisory Board, which is an agency of the ministry, to accumulate data on the insurance problems, specifically liabilities. They also will be presenting a paper to the task force that has been established.

Mr. Haggerty: There is nothing until that task force reports on which directions the government should be leading the industry in providing that type of protection. There will perhaps be a three- or four-month lag before that. Many of them may not get into competition if we do not have something to put in place to assist them during that period.

5:20 p.m.

Mr. Secord: We are finding that the provincial associations usually have an annual policy which lapses at the end of their major competitive season, so that is not a major issue with them at present. We hope the position papers will have been presented by the time it becomes a major issue so some arrangements will be able to be secured.

Mr. Haggerty: In other words, there is protection at present—

Mr. Secord: For most of them.

Mr. Haggerty:—until it is renewed. Will it be for this year, say, September? Is there any time limit on it?

Mr. Secord: Mostly it is for the sports that start in the fall. If issues arise on sports that have their major competitions in the summer, then we will have to consider what action can be taken to assist them. If they cannot have their major

competitions in Ontario, they cannot go on to the national and international championships. However, that has not been flagged to us as a serious problem at this point.

Mr. Haggerty: So it is not that serious a problem.

Mr. Secord: We continue to monitor it through the sports consultants.

Mr. Chairman: I remind the members that we have approximately 52 minutes left. We have a vote at 5:45 p.m. and it would be nice if we could finish these before the vote. That is just a suggestion.

Ms. Bryden: Mr. Speaker, or Mr. Chairman—

Mr. Chairman: That is okay. I will take the upgrade.

Ms. Bryden: —I notice that the objective of the recreation program is to ensure that recreation opportunities exist in all Ontario communities appropriate to the interests, needs and abilities of their residents.

I also hear frequently, from women's organizations in particular, that the opportunities for women are much fewer than the opportunities for men in the nature of the opportunities that are available and the amount of time they get in the facilities or on ice for hockey events. They are not able to hire top coaches because they do not have as much funding.

In some areas, there are no women's teams available, which led to people such as Justine Blainey trying to get accepted on a male hockey team. She started this in an elementary school where the school board did not run a female team in hockey at that time. There is a need for affirmative action in the whole sports field to change this position.

Those of you who read the Sopinka report *Can I Play?* on the place of women in sports know he made a very strong case for the need to increase opportunities and facilities for women and the need to have the same amount of money available to them as most of the men's teams are able to obtain in grants. I know it cannot all be done through grants, but are you carrying on programs to increase the opportunities for women in sports activities?

Hon. Mr. Eakins: Mr. Secord could answer more fully, but when I see the grants and assistance going through I see an increasing number to women's groups and organizations.

On affirmative action, I am proud to say the last three open competitions that were held for senior executives in my ministry were won by

women. I am proud to tell you they are playing an important role in our ministry.

Mr. Secord: do you want to enlarge on the opportunities for women and what is happening in the ministry?

Mr. Secord: Briefly, most of the programs at the local level, as Ms. Bryden will know, are run by the local recreation department. In the case of the city of Toronto, it is the Parks and Recreation Department. We do not become involved in direct programming at the local level. That is their responsibility and municipal tax funds are provided for that. They are aware of the inequities you have addressed.

As far as the ministry is concerned, Mr. Halstead, in response to a question a couple of weeks ago, talked about the initiatives we are taking and not only through extra grants to sport associations that want to expand the participation of girls and women. Probably the most significant more now, over and above the grants, is the situation of two former Olympic athletes who are going around the province encouraging female participation in a variety of sports.

We are finding a great deal of positive response to these visits. A great number of girls and young women are becoming interested because they are being encouraged by these role models to go ahead and play. We are satisfied we are making progress, probably not as fast as we would like, but we are talking about attitude change. The major commitment now is to change the attitude towards equal opportunity in athletics.

Ms. Bryden: I commend the minister for having adopted the position that changing attitudes should be part of his role. He has definitely accepted that. I know from his previous reply to my question about Justine Blainey that his ministry appears to be working in the direction of trying to overcome these inequities. There certainly is a great gap. Special grants or programs may be needed to overcome this gap.

Mr. Secord: The minister has made it quite clear, in both public statements and staff meetings, that we are to continue the initiatives of which I just spoke.

Mr. Chairman: Could I interrupt to advise committee members that there is going to be a vote at 5:45 p.m. We do not have authority to come back after 6 p.m. If the votes are not passed before the bells start to ring the estimates will be deemed to have been passed. I ask each member to keep this in mind as we have roughly 16 minutes left and one further item to deal with.

Hon. Mr. Eakins: I want to add one thing at this time, if I may. I am very proud of the Ontario program for training our athletes that is in place through the Best Ever Ontario program. It was evident at Los Angeles and Saint John, New Brunswick. We will be honouring the young athletes of Ontario in April. I assure our critics and all members of this committee that they will be invited to the dinner to meet the young athletes. I hope they will be able to attend.

Mr. Chairman: And the chairman?

Hon. Mr. Eakins: I think so.

Mr. Chairman: Thank you.

In the light of my earlier comment, which was placed before you in the way it was, do you wish to pursue a question, Mr. Pouliot?

Mr. Pouliot: Notwithstanding your comment, Mr. Chairman, I have a few brief comments.

Mr. Secord, you have given a lot of answers to this and the point is well taken. You run an excellent program—not just you, but your staff as well. You are a fine soldier. The recent success of our representatives at both national and international levels speaks very highly of the degree of excellence in the standards.

We realize the success they encountered may not be the same in Seoul—and we wish them well—as it was in Los Angeles. We know about eastern European countries and so on. I am not opposed to entertaining a few side bets at the risk of a dollar or two, and maybe we can talk about these things.

I am not suggesting elitism takes place. Public funding, above all, is spent on the overall population. The portion of a budget should always reflect this because this is the mandate overall. We have to have representation and encouragement, but this should only be a small portion of the budget.

5:30 p.m.

I have one last comment, a supplementary to what Mr. Haggerty has said. As I was looking out the window of my small office upstairs this morning I could not see the board of trade or the Albany Club, but I could see banks and insurance companies. That brings forth the problems of many small municipalities, and we have some 850 municipalities in Ontario. We also have clubs and organizations. They are faced with a dilemma and an impasse because of the way liability insurance premiums have been allowed to escalate beyond reason. They do not know what to do.

Surely we would not want to see such an illustrious program being cancelled or lacking

participants by virtue and reason of the lack of liability coverage. We do not want to see people having to operate, or to take part in recreation in this instance, from a position of fear. In view of this and departing from the form of the 42 years of the previous administration, should the private insurance sector fail to take responsibility soon, would your ministry endeavour to deliver us from our collective misery in terms of fear?

Would your ministry endeavour to deliver to your cabinet the sentiment that there is a responsibility with the public sector to do so? You could move in that direction. If the insurance companies do not provide that essential service or protection at a reasonable rate, for the sake of saving programs at the recreational level, you should say it is time to introduce a public insurance scheme.

Hon. Mr. Eakins: It is a very broad, big subject, as you know. I have discussed it in a general sense with my federal counterpart. The concerns of our ministry are being made known to the Minister of Consumer and Commercial Relations (Mr. Kwinter) and to that committee.

Mr. Pouliot: Maybe we should conduct a survey to see in which direction the population wishes to move.

Hon. Mr. Eakins: We have also been taking a look at the agencies, boards and commissions under our responsibility to see whether they are affected. Someone raised the question of the Thunder Bay Ski Jumps. There is no problem there at the present time. We are monitoring it and will continue to do so.

Mr. Chairman: Mr. Rowe is going to be the last person to ask a question. It may make his fast question a little longer, but one hopes he will live up to his promise of a fast question.

Mr. Rowe: In finishing off sports and recreation, in the fullness of the time that we are worried about, after having made that 30-second opening remark I hope I did not take too much time, but I have some questions, specifically on the administration side, with respect to costs. If it is the wish of the committee, I shall read the questions into the record and they can be answered later.

Mr. Chairman: Is the committee content with that? On the same basis as before, all members of the committee will be provided with copies of those answers.

Mr. Rowe: Program administration has increased by \$17,100, as explained, because of funding transfers from within the ministry—specifically, page 54 of the estimates. Can the

minister explain what these transfers are? What comprises this amount? Where did it go, where will it go or where has it gone?

On the next page, page 55, transportation and communications has increased from \$38,000 to \$95,000. Can the minister explain what this increase of some \$57,000 entails? It might have been the Los Angeles trip. I do not know, but we will see.

Mr. G. I. Miller: You went too.

Mr. Rowe: You went too? It is interesting, Mr. Miller, that you went along.

Mr. Chairman: I think it was the previous minister who went down.

Mr. Rowe: Maybe. In keeping with time, I know—

Hon. Mr. Eakins: Do you still want a full and complete answer?

Mr. Haggerty: I think we should have that answer now.

Mr. Rowe: In the fullness of time.

In keeping with time, services have increased by approximately \$8,000. I am interested in knowing what these services are and why the increase. Supplies and equipment, on page 55 of the same estimates, are down by some \$35,000. What caused this reduction?

On page 57, recreation has been increased by \$157,000 in wages. The explanation we are given is that it is because of salaries and wage revisions. How many people were the beneficiaries of the \$157,000 increase? I am also interested to know the increase or decrease in the number of full-time employees in recreation compared with the number under the previous minister.

On page 57, services increased by approximately \$57,000. On what specifically did they increase? How many nonprofit camps received the \$63,000 grant?

I have two final points. On page 59, services have increased by some \$574,000. For what, specifically, has the huge increase been earmarked? On the same page, supplies and equipment have dropped by \$395,000. I am interested in that number.

Mr. Chairman: Would you like those answers more widely circulated than just to this committee?

Mr. Rowe: No, this committee will be fine.

Mr. Chairman: All right.

Mr. G. I. Miller: Is there some way we can record the answers in Hansard?

Mr. Chairman: I do not know how we do that. Can we file them as an exhibit?

Mr. Haggerty: If they are put in Orders and Notices in the Legislative Assembly they can be handled that way.

Hon. Mr. Eakin: We will certainly see that answers are provided to those questions.

Mr. Chairman: Perhaps the minister can advise you of those answers in the House.

Mr. Pouliot: We will be patient.

Vote 2904 agreed to.

Vote 2905 agreed to.

Mr. Chairman: This completes consideration of the estimates of the Ministry of Tourism and Recreation.

The committee adjourned at 5:37 p.m.

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Haggerty, R., Vice-Chairman (Erie L)

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Miller, G. I. (Haldimand-Norfolk L)

Pouliot, G. (Lake Nipigon NDP)

Rowe, W. E. (Simcoe Centre PC)

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McDonald, G. C., Chairman, Executive Co-ordinator, Corporate Advertising and
Special Projects Group

Secord, R. E., Assistant Deputy Minister, Recreation Division

Sharpe, P. M., Executive Co-ordinator, Tourism and Recreation Operations Division



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